NONRESIDENT
TRAINING
COURSE

August 1996

Aviation Storekeeper 1 & C

NAVEDTRA 14015

Although the words "he," "him," and "his" are used sparingly in this course to enhance communication, they are not intended to be gender driven or to affront or discriminate against anyone.

COMMANDING OFFICER
NETPDTC
6490 SAUFLEY FIELD ROAD
PENSACOLA FL 32509-5237

07 Sep 99

ERRATA #1

Specific Instructions and Errata for
TRAMAN

AVIATION STOREKEEPER 1&C

1. No attempt has been made to issue corrections for errors in typing, punctuation, etc.

2. Textbook

Make the following changes:

Page	col	Para	Line	Change
1-12	2	3	4	After the words, OCCSTDs Manual, add "and the AK Advancement Handbook".
1-12	2	4	Last	Add the NETPDTC Website address, www.cnet.navy.mil/netpdtc
2-13	2	3	13	Delete the words "chapter 6 of" and change the last two lines to read: "...can be found in Afloat Supply Procedures, NAVSUP P-485, Vol I."
2-13	2	4	6	Delete "chapter 4 of" and substitute the word "the", so the beginning of the sentence reads: "Refer to the NAVSUP P-485, Vol I for...".
2-15	1	3	8	Delete the words "chapter 1, paragraph 1118-4c of"
3-10	1	3	8	Delete "P-437, chapter 2", add the words "P-485, volume III."
3-11	1	2	18	Delete "P-437" and add "P-485, volume III".
3-11	1	2	Last	Delete the entire last sentence beginning with " Refer to..." and
3-13	2	1	11	Delete "Automated SNAP I Supply Procedures, Volume I, Logistics

Page	col	Para	Line	Change
				and Inventory Management, NAVSUP P-567, and". At the end of the sentence, delete the period and after the words NAVSUP P-485, add ", volume I.".
3-24	1	7	3	Delete "P-567" and replace with "P-485, volume I".
3-25	2	last	5	Delete "P-567, chapter 6" and replace with "P-485, volume I,".
4-3	1	2	10, 11	Delete "Appendix 17, part C of NAVSUP P-347" and replace with "NAVSUP P-485, volume II".
5-4	1	4	3	Delete "P-567" and replace with "P-485, volume I".
5-18	1	4	5	Delete "Automated SNAP I Supply Procedures, NAVSUP P-567, and". After NAVSUP P-485, add "volume I.".
5-18	2	4	3	Delete "P-567", replace with "P-485."
5-21	2	1	2, 3	Delete "and NAVSUP P-567". After NAVSUP P-485, add "volume II.".
5-22	1	2	2, 3	Delete "NAVSUP P-567". After NAVSUP P-485 add "Volume II.".
6-12	1	6	9	Delete "P-437, chapter 5," and replace with "NAVSUP P-485, volume II,".
6-12	2	2	10	Delete "P-567, volume 2" and replace with " NAVSUP P-485, volume I,".
6-13	2	1	9, 10	Delete "appendix 5 of NAVSUP P-567" and replace with "NAVSUP P-485.".
6-14	1	1	6	Delete "P-567, volume 2" and replace with "P-485, volume I.".
6-14	1	5	Last	Delete "volume 2 of NAVSUP P-567" and replace with "volume I of NAVSUP P-485.".
7-12	2	4	4, 5	Delete the words "chapter 19".

PREFACE

By enrolling in this self-study course, you have demonstrated a desire to improve yourself and the Navy. Remember, however, this self-study course is only one part of the total Navy training program. Practical experience, schools, selected reading, and your desire to succeed are also necessary to successfully round out a fully meaningful training program.

THE COURSE: This self-study course is organized into subject matter areas, each containing learning objectives to help you determine what you should learn along with text and illustrations to help you understand the information. The subject matter reflects day-to-day requirements and experiences of personnel in the rating or skill area. It also reflects guidance provided by Enlisted Community Managers (ECMs) and other senior personnel, technical references, instructions, etc., and either the occupational or naval standards, which are listed in the *Manual of Navy Enlisted Manpower Personnel Classifications and Occupational Standards,* NAVPERS 18068.

THE QUESTIONS: The questions that appear in this course are designed to help you understand the material in the text.

VALUE: In completing this course, you will improve your military and professional knowledge. Importantly, it can also help you study for the Navy-wide advancement in rate examination. If you are studying and discover a reference in the text to another publication for further information, look it up.

1996 Edition Prepared by
AKCM(AW) Frank F. Escanillas

Published by
NAVAL EDUCATION AND TRAINING
PROFESSIONAL DEVELOPMENT
AND TECHNOLOGY CENTER

NAVSUP Logistics Tracking Number
0504-LP-026-6940

Sailor's Creed

"I am a United States Sailor.

I will support and defend the Constitution of the United States of America and I will obey the orders of those appointed over me.

I represent the fighting spirit of the Navy and those who have gone before me to defend freedom and democracy around the world.

I proudly serve my country's Navy combat team with honor, courage and commitment.

I am committed to excellence and the fair treatment of all."

CONTENTS

INSTRUCTIONS FOR TAKING THE COURSE

ASSIGNMENTS

The text pages that you are to study are listed at the beginning of each assignment. Study these pages carefully before attempting to answer the questions. Pay close attention to tables and illustrations and read the learning objectives. The learning objectives state what you should be able to do after studying the material. Answering the questions correctly helps you accomplish the objectives.

SELECTING YOUR ANSWERS

Read each question carefully, then select the BEST answer. You may refer freely to the text. The answers must be the result of your own work and decisions. You are prohibited from referring to or copying the answers of others and from giving answers to anyone else taking the course.

SUBMITTING YOUR ASSIGNMENTS

To have your assignments graded, you must be enrolled in the course with the Nonresident Training Course Administration Branch at the Naval Education and Training Professional Development and Technology Center (NETPDTC). Following enrollment, there are two ways of having your assignments graded: (1) use the Internet to submit your assignments as you complete them, or (2) send all the assignments at one time by mail to NETPDTC.

Grading on the Internet: Advantages to Internet grading are:

- you may submit your answers as soon as you complete an assignment, and
- you get your results faster; usually by the next working day (approximately 24 hours).

In addition to receiving grade results for each assignment, you will receive course completion confirmation once you have completed all the assignments. To submit your assignment answers via the Internet, go to:

http://courses.cnet.navy.mil

Grading by Mail: When you submit answer sheets by mail, send all of your assignments at one time. Do NOT submit individual answer sheets for grading. Mail all of your assignments in an envelope, which you either provide yourself or obtain from your nearest Educational Services Officer (ESO). Submit answer sheets to:

COMMANDING OFFICER
NETPDTC N331
6490 SAUFLEY FIELD ROAD
PENSACOLA FL 32559-5000

Answer Sheets: All courses include one "scannable" answer sheet for each assignment. These answer sheets are preprinted with your SSN, name, assignment number, and course number. Explanations for completing the answer sheets are on the answer sheet.

Do not use answer sheet reproductions: Use only the original answer sheets that we provide—reproductions will not work with our scanning equipment and cannot be processed.

Follow the instructions for marking your answers on the answer sheet. Be sure that blocks 1, 2, and 3 are filled in correctly. This information is necessary for your course to be properly processed and for you to receive credit for your work.

COMPLETION TIME

Courses must be completed within 12 months from the date of enrollment. This includes time required to resubmit failed assignments.

PASS/FAIL ASSIGNMENT PROCEDURES

If your overall course score is 3.2 or higher, you will pass the course and will not be required to resubmit assignments. Once your assignments have been graded you will receive course completion confirmation.

If you receive less than a 3.2 on any assignment and your overall course score is below 3.2, you will be given the opportunity to resubmit failed assignments. **You may resubmit failed assignments only once.** Internet students will receive notification when they have failed an assignment--they may then resubmit failed assignments on the web site. Internet students may view and print results for failed assignments from the web site. Students who submit by mail will receive a failing result letter and a new answer sheet for resubmission of each failed assignment.

COMPLETION CONFIRMATION

After successfully completing this course, you will receive a letter of completion.

ERRATA

Errata are used to correct minor errors or delete obsolete information in a course. Errata may also be used to provide instructions to the student. If a course has an errata, it will be included as the first page(s) after the front cover. Errata for all courses can be accessed and viewed/downloaded at:

http://www.advancement.cnet.navy.mil

STUDENT FEEDBACK QUESTIONS

We value your suggestions, questions, and criticisms on our courses. If you would like to communicate with us regarding this course, we encourage you, if possible, to use e-mail. If you write or fax, please use a copy of the Student Comment form that follows this page.

For subject matter questions:

E-mail: n313.products@cnet.navy.mil
Phone: Comm: (850) 452-1001, Ext. 2145
DSN: 922-1001, Ext. 2145
FAX: (850) 452-1370
(Do not fax answer sheets.)
Address: COMMANDING OFFICER
NETPDTC (CODE 313)
6490 SAUFLEY FIELD ROAD
PENSACOLA FL 32509-5237

For enrollment, shipping, grading, or completion letter questions

E-mail: fleetservices@cnet.navy.mil
Phone: Toll Free: 877-264-8583
Comm: (850) 452-1511/1181/1859
DSN: 922-1511/1181/1859
FAX: (850) 452-1370
(Do not fax answer sheets.)
Address: COMMANDING OFFICER
NETPDTC (CODE N331)
6490 SAUFLEY FIELD ROAD
PENSACOLA FL 32559-5000

NAVAL RESERVE RETIREMENT CREDIT

If you are a member of the Naval Reserve, you will receive retirement points if you are authorized to receive them under current directives governing retirement of Naval Reserve personnel. For Naval Reserve retirement, this course is evaluated at 11 points. (Refer to *Administrative Procedures for Naval Reservists on Inactive Duty*, BUPERSINST 1001.39, for more information about retirement points.)

COURSE OBJECTIVES

In completing this nonresident training course, you will demonstrate a knowledge of the subject matter by correctly answering questions on the following subjects: Administration and Customer Service; Storage and Material Handling; Material Receipts and Expenditures; Aviation Material Management; Inventory Management; Financial Management; and Automated Supply Support.

Student Comments

Course Title: *Aviation Storekeeper 1 &C*

NAVEDTRA: 14015 **Date**: _____

We need some information about you:

Rate/Rank and Name: _____ SSN: _____ Command/Unit _____

Street Address: _____ City: _____ State/FPO: _____ Zip _____

Your comments, suggestions, etc.:

Privacy Act Statement: Under authority of Title 5, USC 301, information regarding your military status is requested in processing your comments and in preparing a reply. This information will not be divulged without written authorization to anyone other than those within DOD for official use in determining performance.

NETPDTC 1550/41 (Rev 4-00)

CHAPTER 1

ADMINISTRATION AND CUSTOMER SERVICE

This training manual is designed to help the Aviation Storekeeper (AK) second class to meet the professional occupational standards for advancement to first class and chief Aviation Storekeeper. These occupational standards are listed in the *Manual of Navy Enlisted Manpower and Personnel Classifications and Occupational Standards,* NAVPERS 18068.

As you advance in grade, your responsibilities also increase. You will be assigned to supervise a greater number of personnel in larger organizations within your division, department, or command. You also will be responsible for managing more supply spaces and the personnel assigned to work in them.

This chapter contains information about the assignments and responsibilities of the AK supervisor. It also includes the basic knowledge and skills the supervisor should possess to help perform these increased duties and responsibilities. It covers some of the management techniques and personnel training requirements needed to provide the best customer service.

THE AK SUPERVISOR

The Aviation Storekeeper is responsible for the receipt, identification, stowage, and expenditure of aviation material. The AK is also responsible for performing memorandum financial accounting pertaining to aircraft maintenance and flight operations. The AK also provides services in support of aircraft maintenance, including pickup and deliver y of material, preparation of supply documents, technical research, and determination of sources of supply.

In most cases, the AK1 is assigned to supervise junior AKs in the supply department, aviation squadrons, or aircraft maintenance shops.

The AKC can expect to have a wide variety of duty assignments. These assignments include unit or section supervisor, division chief, or supply chief. You may be assigned to a billet that involves only a small portion of the duties covered by the AK rating, or where your duties are concerned with other areas of supply support. This, however, does not relieve you of the responsibility of keeping abreast of the changing conditions and instructions pertaining to all duties of the AK rating, AKs must be qualified in all phases of the rating so they can be assigned to billets where they are most needed

TYPES OF ASSIGNMENTS

The AK may be assigned to the following areas.

Naval Air Stations

The billet for AK supervisors vary according to the size, mission, and number of personnel assigned to the particular naval air station. The AK may fill a billet in Aviation Support Divisions/Supply Support Centers (ASDs/SSCs). Other divisions of the supply department the AK supervisor may be assigned to are:

- Control Division
- Technical Division
- Inventory Division
- Material Division

At overseas air stations or facilities, the AK supervisor will probably be given more responsibilities than at a CONUS air station because there are usually fewer civilian supervisory personnel.

Aircraft Carriers and Amphibious Assault Ships

The number of AKs assigned to a ship depends upon the size and mission of the ship. For example, an aircraft carrier may have from 40 to 60 personnel assigned to aviation supply duties, headed by two or more AKCs. Unless local conditions dictate otherwise, most AKs are assigned to the aviation support division (ASD). The AK allowance for an aircraft carrier is partially supplemented by the temporary additional duty (TAD) assigned squadron AKs when air wings are embarked. These TAD AKs are normally assigned to the ASD using the Naval Aviation Maintenance Program (NAMP) operating procedures as outlined in OPNAVINST 4790.2.

Maintenance/Material Control

Most aircraft squadrons have an allowance for an AK1. When assigned to the squadron material control, the first class is the senior supply representative on board with a variety of duties and responsibilities. On the other hand, material control in the aircraft intermediate maintenance department (AIMD) involves complex operations. Because the duties are complicated, most AIMDs have an AKC assigned as the material control supervisor. This is a challenging billet, and the manner in which the functions of this billet are performed directly affects the aviation mission of a ship or station.

Instructor Billets

The Aviation Storekeeper class A school, located at Naval Technical Training Center (NTTC) Meridian, Mississippi, has instructor billets normally filled by AK2s, AK1s, and AKCS. The Naval Aviation Maintenance Training Group (NAMTG) has several billets for AKCs in its detachments who teach Naval Aviation Maintenance Program (NAMP) supply procedures. There are additional billets at advanced AK and Shipboard Uniform Automated Data Processing System (SUADPS) courses located at Fleet Training Center, Norfolk, Virginia, and Service School Command, San Diego, California.

Staff Billets

The term *staff* is used here to cover several similar duty assignments, not all of which would be strictly classified as duty with a staff. It includes the following activities that usually have billets for the AK1 or AKC:

- Flag administrative units of the air type commanders and the air training commanders
- Flag administrative units of fleet air commanders
- Staff of fleet air wings and carrier air groups
- Defense Accounting Office, Norfolk and San Diego
- Headquarters, Naval Supply Systems Command
- Naval missions, naval attaches, and military assistance advisory groups (MAAGs)

KNOWLEDGE AND SKILLS

A major concern of personnel management is the assignment of personnel to jobs they are capable of doing and are interested in performing. This involves recognizing that individuals use a basic knowledge, skill, or ability in performing each task and that each person's capabilities should be fully used. In dealing with these dynamic aspects of an organization, you are not expected to be a management engineer. However, as a senior petty officer, you should be able to exercise your leadership responsibilities in dealing capably with human relations. In this sense, leadership can be defined as the capacity to direct or influence the behavior of others toward specific goals. In carrying out this mission, you are not only responsible for the assignment of duties and the delegation of authority, you must also see that the work is done. This requires certain knowledge and skills. The following paragraphs contain information about the knowledge and skills required of you as a supervisor and manager.

Knowledge

Successful supervision demands a vast amount of knowledge. The wide variety and complexity of assignments require the supervisor to have considerable technical knowledge. Most senior AKs have acquired knowledge through experience, on-the-job training, or by reading instructions and procedures. It is inevitable, however, that supervisors will be given some tasks for which their training and experience are inadequate. In these situations supervisors must be dependent upon the knowledge and abilities of others, and upon their own leadership.

You as the supervisor must know the mission of the organization of which you are a part. With this knowledge, you can set objectives to fully support the mission. You also need to have a clear understanding of the specific role your group must play in attaining the basic goals. Planning, organization, directing, and problem solving should be done with both the general and specific aims of the organization clearly in mind.

Few traits are of more importance in a successful supervisor than a thorough knowledge of the subordinates as individuals. The supervisor needs to be aware constantly of the fact that individuals are different and that this fact cannot be overlooked. It is particularly dangerous for a supervisor to fall into the habit of stereotyping people.

Skills

As the supervisor, the biggest part of your responsibilities will be guiding and directing others as they perform their assigned tasks. Your value to the

organization will be measured largely in terms of the quality of the work of your subordinates. This does not mean that all jobs can be delegated to the subordinates; you will still perform some tasks. However, you must not take the attitude that it is easier to do the work than to train or direct someone else.

To be a successful supervisor, you should develop and obtain skills described in the following paragraphs.

SKILL IN LEADING.—Here is where you should excel. Lead the personnel whom you are coaching; do not drive them. Set examples for them to follow. Know them as individuals and handle their problems individual y. Reprimand them in private; praise them in public. Subordinates will work for you, and their training will be more easily accomplished and more effective if you can learn to (1) be predictable and consistent in your dealings with them;(2) project to your subordinates the enthusiasm you feel for the work they are doing; and (3) have no fear of your position, your boss, the people you are supervising, tough jobs, or honest mistakes.

This is not an all-inclusive list of things that will make you a leader overnight. These items are sound, basic principles that, when mixed well with common sense, will improve your leadership abilities.

SKILL IN ORGANIZING.– Organization is a form of discipline that, if carefully managed, can contribute substantially to successful supervision.

An important element of good organization is the delegation of authority and responsibility, which must always go together. It has been said that the ideal of sound organization should be to fix responsibility as low in the organization as competence exists to assume the responsibility. Many individuals are reluctant to delegate authority because they fear the possibility of being embarrassed by the acts of their subordinates. These fears are generally an indication of a feeling of insecurity on the part of the supervisor. This insecure feeling can best be overcome by training the subordinates to increase their capacity for accepting responsibility and authority.

Not only do supervisors sometimes fail to delegate authority, but they also frequently fail to delegate properly the work that needs to be done. Supervisors can easily handicap themselves by trying to do more than they need to do. The result is that they become ineffective supervisors and leaders.

SKILL IN COMMUNICATING IDEAS.– To be an effective supervisor, you should have the skill to communicate ideas. Clear communication is essential in giving orders, in the dissemination of information, and in training or instructing. Clear communications are essential for both the sender and the receiver. Throughout your Navy career you have been reminded of the chain of command and line of authority. These channels must not be bypassed. If you expect your subordinates to work willingly and cooperative y, you must give them all the information they need to get the job done.

The supervisor must be able to demonstrate skill in instructing. Your subordinates are depending on you to demonstrate and coach them in the classroom or on the job in the correct procedures and methods to be used. You must develop skill in imparting your knowledge to trainees on how the job is to be done. As trainees progress from one work experience to another, you will be guiding and coaching them. To develop skill in instructing, keep the following in mind:

- Show your trainees how to do the job without showing off or showing them up.
- Have all the answers you can, admit it when you do not, and obtain the correct answer as soon as possible.
- Learn to be sincerely interested in others.
- Keep your sense of humor.
- Be patient.
- Be sure the trainee understands what the job is and how it is to be accomplished.
- Ensure that the trainee understands the time frames and deadlines set for the completion of a job.

SKILL IN PROBLEM SOLVING.– Problem solving is the practical application of all the other skills involved in supervision or leadership. Every day new problems are encountered; there may be difficulties different from any you have ever met. If you can look at these difficulties briefly, and then, almost without pause, see and apply a sound solution, you are fortunate. Indeed, you are exceptional; for most of us must cautiously examine difficult problems and weigh the solutions carefully. Even then, we are subject to serious errors if we overlook some of the details that are not too obvious.

If all of us were to go about solving problems in exactly the same reamer, we would necessarily have exactly the same thought processes. Although we do not

all think alike, those who are capable of finding proper solutions quickly and easily have something in common. They follow a well-established pattern of thought and action.

Some people practice the pattern instinctively, thereby reaching solid, useful conclusions in what appears to be an amazingly short time. For most of us, this pattern is not one we know instinctively. We learn it only after having paid in concerted effort. We may learn of it in the classroom, on the job, or from books, but it becomes a habit only after the trial and error of repeated applications.

The problem-solving process can be divided into six steps. Preliminary to solving a problem, you must recognize that there is an actual problem to be solved. Then you proceed as follows:

1. Define the problem.

2. Establish objectives; that is, determine what you want to accomplish.

3. Get the facts. Assemble all the facts related to the problem. Decide what personnel, if any, are involved. Review the record. Find out what rules, regulations, and customs apply. Contact any individuals concerned for opinions and feelings, as well as facts. Be sure you have the whole story. Perhaps materials or equipment constitute a part of the problem. Special methods or operational schedules may also have an effect on the problem.

4. Weigh and decide. After you have assembled all the facts, analyze the problem in light of the facts. Fit the facts together and consider their bearing on each other. Check regulations, policies, and practices. What possible actions are there? What are the possible results of each action? Choose the best action, but do not make sudden or quick decisions.

5. Take action. First consider the following questions: Should I handle this problem myself? Do I need any help in handling it? Then consider the proper time and place to take the action that appears most likely to solve the problem. Do not depend on someone else to solve the problem.

6. Evaluate the action. During this procedure, check the results of your action to see if it solved the problem. Never assume that the problem was solved, as you may find that the action you took brought about additional problems instead of solving the initial problem. Watch for changes in output, attitudes, and relationships. If the problem was not solved, you may need to gather more facts and go through the entire problem-solving procedure again.

The problem-solving technique can be mastered by anyone willing to learn. It may seem to take a great deal of time, but eventually it will actually save time. The individual who desires to become a good manager should become so skilled in its use that this technique is used automatically when dealing with the problems of supervision.

Remember, the word *problem is* defined as an unsettled question or situation. When a problem is solved, it becomes just a temporary situation. An effective supervisor relieves temporary situations thus preventing them from becoming a problem.

USE OF AVAILABLE RESOURCES

Effective use of personnel is perhaps the most difficult of all military or professional tasks to learn. Materials and systems can be examined, analyzed and classified rather easily. The traits and characteristics of individuals are infinite in variety because they differ in physical abilities, intelligence, background, training, temperament, ambition, philosophy, and any number of other traits, defying any absolute classification. Yet anyone who wishes to manage an organization, of whatever size, must weld these individuals into a harmonious team in which each contributes to the common effort.

Petty officers first class and chief petty officers have a more urgent need to develop their management skills than their civilian counterpanes. There is no process in the Navy comparable to firing a person. Transfers used as a means of eliminating problems are not recommended, even when you are willing to overstate the case. Certainly, discharge of a person for unsuitability or bad conduct is a serious step with a permanent effect on the individual, and the Navy is understandably reluctant to do this. You are expected to accept the personnel assigned to you and, with competent supervision, to accomplish whatever tasks you are assigned.

Effective use of personnel takes place when certain conditions are met. Some of these conditions are as follows:

- There is no "featherbedding"–every person assigned has a legitimate function to perform.
- There are opportunities, encouragement, and help for all personnel to develop their individual

abilities, whether professional, military, or general; and recognition for progress is given.

- There is a minimum of disciplinary problems.

These external symptoms of effective personnel use are not separate or isolated but are so related that improvement in any one area leads to improvement in other areas.

Senior AKs, like other petty officers, spend a great deal of time supervising subordinates. Too often, they tend to think that the emphasis should be placed on the jobs and how well they are being done by the individuals. A little thought shows that actually the individuals should be supervised so that they get the jobs done well—a view that involves an important difference in orientation on the part of the supervisor.

Some of the factors involved in effective use of personnel are discussed in this section. No effort is made to present a definitive treatment of the subject; rather, the section is intended to alert you to the advantages to be gained by developing your skill in managing people, and to give you a starting point for further reading and study.

Personnel Versus Workload

The standard complaint of many supervisors, when faced with any change in procedure, is that more personnel are needed. For anyone to consider the work force too large already is unlikely. Sometimes, however, there are actually more personnel available than can be used effective y.

Perhaps it is only natural to think that any job could be done better if only a few more personnel could be assigned. The fact is that the law of diminishing returns applies in the Navy as surely as in any profit-making organization. Individuals need to feel that they are performing a useful function and are contributing something tangible to the defense of our country. If people do not have a feeling of accomplishment, morale in an organization will suffer.

A supervisor with a knowledge of the variety of jobs done by workers can easily compute the optimum number of personnel for the organization. You must review the number of personnel now assigned and the work that must be done. Does every person have a full-time job? If some of the functions were combined or eliminated, would the performance of the organization suffer? Often, operations that were necessary at some time in the past are continued long after they cease to serve a useful purpose. An accumulation of these can sometimes waste the productive time of several persons.

If you cannot prove beyond a reasonable doubt that you need every person, you are overstaffed. In determining manpower requirements, it is better to err on the short side than the long.

People are flexible enough to absorb more work than they are generally given credit for being able to perform, and inventive enough to devise the means of doing the job more easily.

Assigning and Rotating Work Assignments

The supervisor should be able to make an equitable and efficient distribution of the individual jobs among assigned personnel. This is not a simple task. It requires careful study and planning because several factors affect it. These factors may vary from one organization to another. One of the factors is personnel ability. Your personnel will have varying degrees of knowledge and experience. Also, the jobs differ in complexity, required time to perform, and frequency of performance. While the ultimate responsibility for the assignment of personnel rests with the supply officer, he or she will rely heavily on your recommendations.

The practice of rotating personnel through the various phases of their rating is universally recognized as beneficial to the individuals and hence to the Navy. Unfortunately, it is by no means universally practiced, and even more unfortunately, resistance to a regular system of rotation is often concentrated in the senior enlisted personnel.

The first step in planning personnel assignments is to prepare a list of all jobs that are required in performing the supply functions for which you are responsible. The size of the list will depend upon the number of supply functions under your supervision and the degree to which you break down these functions into jobs. It is not necessary to list every motion required to perform a task, but each separate, distinct job should be shown.

The list should not be limited only to routine work, but should include reports as well as the jobs that are performed less frequently.

The next step is to analyze the job requirements. The major purpose of job analysis is to help you to make the most effective use of manpower. Therefore, you decide how much information is needed about each job. You can make the analysis as simple or as elaborate as you deem necessary. The items listed below could be used in making a job analysis; either by listing on a

separate sheet of paper for each job or in the form of a chart using separate columns for each job.

- Operation performed
  - — Where performed
  - — Knowledge required
  - — Skill and experience required
  - — Equipment and material requirements
- Information required to perform
  - — How obtained
  - — Where obtained
- Time required to perform
- Frequency of operation
- Disposition of completed work
- Related jobs

Another feature of job analysis, in addition to determining skills required to perform the various jobs efficiently, is the information to group similar jobs so that they may be assigned to the same person.

After you have inventoried and analyzed the tasks to be performed, then match the personnel with the skill requirements in the job analysis. Simple? Hardly. You will seldom be in the position of having a group of people who possess all of the skills required.

At this point, you are primarily concerned with assigning an individual to each job. Therefore, the job responsibility should be assigned to the person most nearly matching the skill requirements. Rate alone is not always the best way to make this determination. An AKAN may have more experience in a particular job than an AK3, or an AK3 may be more qualified in an area than an AK2. Another factor to be considered is the number of jobs and the number of personnel you have to fill them. The number of jobs to be assigned to a member depends upon the member's experience. The more experienced person may be able to handle several jobs with ease; whereas the person with limited experience may be able to do only one job successfully.

With all the inventorying and analyzing, don't forget that you are dealing with people and not material. Try to find out something about the person you are assigning. An individual may have special aptitudes, interests, physical characteristics, or personality traits that make that person particularly well suited or unsuited for certain tasks. These traits should be considered when making assignments. This is not to say that personnel should be coddled, but individuals doing jobs that they like and are well suited for, will do a better job with less supervision.

Your goal should be the timely, accurate completion of all jobs with the work equitably distributed among all personnel.

Once you have assigned jobs to each of your members, don't be misled into assuming that you have everything covered. Every person will not be on the job every day, you will have people TAD or on leave, and personnel being transferred. Some provision must be made to cover the tasks these persons were doing.

One way to make sure that personnel are checked out on other tasks is by job rotation. As personnel become proficient in their jobs, they should be considered for reassignment to different jobs. They probably will learn faster if the new job is related to the old one, and, if possible, personal preference should be one of the factors in deciding new assignments.

Job rotation should not become a periodic game of "musical chairs." Each reassignment should be a progression from an easier job to a harder one, and the individual must stay in each job long enough to develop a sense of responsibility y for a job well done. Otherwise, you may end up with personnel who know a little bit about a lot of jobs but are generally confused about the purpose and procedures for any one of them. Everyone benefits when more than one person is qualified to handle each of the jobs in the department.

Duty Section

Supply operations consist of 24-hour service to customers. Most services are rendered during normal operating hours. The efficiency of any supply organization is challenged by its ability to handle urgent business during nonworking hours.

After normal operating hours, the duty section mans the supply department. Duty sections, afloat and ashore, are normally under the leadership of a supply duty officer (SDO). Whether or not an officer is assigned, the duty section must have authority in equal measure with responsibility. When an emergency arises that can be alleviated by some action possible within the supply department, the personnel present in the duty section must be able to take action at once. A full account must then be presented to the supply officer or a cognizant assistant at the earliest opportunity.

At shore stations, the AKs may stand watches in the supply office, where they may be called upon to perform other tasks outside their normal professional field. Aboard ship there are two duty watches with which the AK1 are directly concerned-the supply department duty petty officer and the duty AK. The AKC may be assigned as the division duty chief, duty supply chief, assistant SDO, or SDO.

RESPONSIBILITIES OF THE DUTY AK.— The duty AK is the senior representative in the ASD/SSC outside of regular working hours. In most cases, an AK1 will be assigned to stand the duty AK. It is the responsibility of duty AKs to conduct the business of the division in a manner that brings credit to themselves and to the division. Some of the duties of the duty AK areas follows:

1. Muster the duty section and make muster reports.

2. Make all emergency issues and/or routine issues of material for night check crews or maintenance duty section personnel.

3. Maintain a continuous watch in ready issue during mealtimes, and such other times as required by local instructions.

4. Know where the personnel in the duty section are at all times and where they sleep.

5. Keep the supply department duty petty officer informed where you are at all times and apprised of all significant developments.

6. Receive any incoming material, receipt for it, check the material and make immediate issue of emergency material (NMCS/PMCS/CASREP, etc).

7. Conduct inspection of aviation stores spaces to make sure that security of stores is maintained.

8. Supervise the personnel in the duty section to make sure that standards of cleanliness and fire safety are maintained, including sweepdowns at prescribed times.

9. Check message traffic in the supply office at regular intervals.

10. Pick up correspondence and messages from the supply ofice immediately before commencement of the regular workday.

11. Control all keys that are kept in the aviation stores division.

12. Maintain a log of all important events occurring during the watch period for passdown information to the supply officer. This log includes the times at which inspections of spaces were made and any discrepancies noted.

SUPPLY DUTY PETTY OFFICERS (SDPO) AFLOAT.— The supply department duty petty officer serves as an assistant to the duty supply officer. Together they are responsible for unifying the efforts of the supply divisions so that the common purpose of the department is accomplished. The chief petty officers or senior chief petty officers stand as division duty CPO representing their own division. The duties of SDPO include, but are not limited to, the following:

- Supervise the supply division section leaders in the performance of their routine duties.
- Assign responsibility for accomplishing all unusual or emergency tasks not covered by normal routine, and procure assistance from within the department as necessary.
- Make sure that security inspections and muster reports are made by division section leaders, and report the results to the duty supply officer before the ship's 8 o'clock report.
- Inspect for security those areas particularly assigned by supply department instructions or as desired by the duty supply officer.
- Keep informed of the whereabouts of each division section leader and the duty supply officer.
- Arrange for emergency issues as required.
- Notify the duty supply officer of the arrival of stores, and make arrangements for their receipt and storage.
- Make sure that departmental keys are handled in strict accordance with supply department instructions.
- Maintain a log of actions taken during the watch period, to be signed by the duty supply officer, for passdown to the relieving duty supply officer and the supply officer.

SUPPLY DUTY PETTY OFFICERS ASHORE.— Personnel on duty normally stand the watch in the main supply office or where stock records are accessible. Familiarize yourself with the instructions and procedures for standing the watch. When you are on watch, you maybe called upon to issue or locate many items with which you are not familiar.

The principles of recordkeeping and storage are the same, however, you must be familiar with the warehouses and their location system.

There are no sharp differences between standing a watch ashore and standing a comparable watch aboard ship. The essentials remain the same. Personnel are still supervised, security of spaces and materials are maintained, and logs are kept of occurring events. The details, which vary considerably from station to station, are always carefully stated in a specific supply department instruction.

MANAGEMENT TECHNIQUES

When the elements of management techniques are applied to the operating procedures, the result is an efficient and progressive organization. These elements include planning, organization, and control. The following information describes these in more detail.

PLANNING

The most important element of management techniques is planning. Plans are methods devised to achieve a goal. Plans are the road maps for the players to follow. In the Navy, all plans fall into one of the three groups; strategic plans, standing plans, and single-use plans.

Strategic plans are those that will take place in 2 or 5 years. Type commanders and commanding officers use strategic plans to set the mission and objectives.

Standing plans are those the Navy uses for recurring or long-range activities. Standing plans include the United States Navy Regulations (Navy Regs), Standard Organization and Regulations of the U.S. Navy, SECNAVINSTs, OPNAVINSTs, or technical manuals. Supervisors use the standing plans to determine routine work requirements within the division or section.

Single-use plans are those used for short-range nonrecurring activities. As the supervisor, you should excel in this area of planning and use it as part of your daily activity. To determine the short-range plans, use the strategic and standing plans as references.

The time devoted to planning any type of operation will result in dividends in terms of the time and effort saved later. To develop an effective plan, you must first have accurate information concerning past and present procedures. One of the mistakes often made by individuals when reporting to a new assignment is to neglect this essential element and begin making changes before they understand the existing system. Some tasks may appear strange when a person is new to an assignment and may even appear pointless. However,. it is wise not to act on the first impression. It is best to become acquainted with the reasons for performing tasks in a specific way before making rash decisions for change.

The ideal situation, although often not the case, is to report to a division or section before the detachment of your predecessor. This gives you an opportunity to observe performance and procedures before you actually take charge. When this is not the case, planning before acting becomes even more important.

The first step in planning is to determine the exact functions and mission of the office or division for which you are assuming responsibility. You must also determine how its functions fit into the overall mission of the activity. You should already be familiar with some procedures gained by experience from previous assignments or from general knowledge of the AK rating.

Personnel

To make job assignments efficiently, it is important that you become acquainted with the personnel who will be working for you. Find out about their training and experience. Become familiar with their individual skills and traits of personality. Review each individual's service record and look at the past work habits of each person (past evaluations will indicate some of these traits). When you are setting up a new office, you will have to make immediate decisions regarding assignments. In an office or unit already established, you probably will not make any changes in individual duty assignments until you have made an assessment of personnel traits.

Workload

The main sources of information concerning projected workload are the mission and functions described in the supply department organizational manual or from directives issued by the local command or from higher authority.

After determining what responsibilities your section is expected to perform, you should next consider how your work assignments relate to the overall mission of the activity. You must become familiar with organization charts, organizational manning structure, billets authorized, and the personnel available to perform those tasks assigned.

The next step is to consider personnel assignments, space assignment, and available equipment to perform the tasks.

Flexibility

Planning must be flexible because sometimes the best of plans have to be revised. When a system fails to work as efficient y as you had expected, then you should make a change. Supervisors should always be alert and observe how their plans are working and readjust where necessaary. You should also observe changes in function, personnel, or working conditions and modify those plans accordingly.

On the other hand, frequent reorganization of procedures usually indicates faulty original planning and may reflect unfavorably on your competence as a supervisor. Your subordinates may recognize this fault and resent having to move office furniture or perform other tasks of reorganization simply because you did not plan properly in the first place.

ORGANIZATION

The fact that your organization may be relatively simple in structure does not diminish in any way the importance of having a clear and well-balanced structure. Individuals should know what is expected of them and what authority they have. This does not mean that your personnel should not be expected to help each other from time to time or that you cannot reassign them as required. It merely furnishes an established and generally understood system of operation.

Duties and Responsibilities

You should make sure that everyone understands their assigned duties and what you expect him or her to accomplish, You are responsible to provide training to those persons new to the job. After providing the training, observe the operation until you are sure your directions are understood and are being carried out.

Remember the principle of matching authority with responsibility. When you put a petty officer in charge of a specific assignment, make sure you also inform the personnel who perform the tasks involved. Be explicit about the authority you give to someone and make sure that the individual does not overstep that authority. Everyone is briefed at basic training about the chain of command. This important element should continue throughout your career, and as a supervisor, you should make sure everyone in your charge is aware of the chain of command in your section.

When you assign duties, you should give similar or related tasks to the same person. The proper combination of duties not only speeds operations by eliminating wasted motion, but also improves accuracy.

Work Assignments

All AKs are expected to be able to perform the duties of their rating at the rate level they hold. This uniformity is a necessary condition to naval organization. However, this should not prevent you from considering that each individual may have special talents and preferences. A good supervisor determines what each individual can do best and what each one enjoys well enough to put forth extra effort into performing the task. This pays dividends in quantity and quality of work and also increases morale.

The workload should be divided fairly. The uneven distribution of workloads tend to lower morale and create bottlenecks. Review each person's workload to make sure that everyone is performing his or her fair share. Sometimes an individual who seems to be overloaded may need some guidance on how to organize the work better or how to speed up routine operations.

COMMAND

The element of command basically means to take charge. The results of your area of responsibility depend upon the actions you take and how well you carry out your assignment.

Decisions

One of the most significant indications of command is the power to make decisions. The individual exercising command not only is allowed to make decisions, but is expected to make them. As a supervisor, you must learn what types of decisions are within your responsibility. You must then exercise sufficient self-discipline to make those decisions necessary and to abide by the consequences. It is a serious mistake to try to make decisions that are beyond your authority, but it is equally serious to refuse to stand up to your responsibilities when decisions are required of you.

Coordination

Coordination is the effort that ties work functions together to make the operation run smoothly. Even

when you have only one or two individuals working under your supervision, you must still coordinate the work assignments. Keep in mind the various operations that you and the others are performing and make sure that each function is completed within the proper time. You may also have special job assignments and must make sure they are not forgotten or neglected.

CONTROL

Controlling is another term for directing. This is ensuring that all parts are directed toward achieving the goals. Not only do you determine what your assigned personnel should do, you must also inform them of your plan and make sure that they comply with your decision and that their efforts produce the required results toward carrying out your mission.

Supervision

To exercise control properly, you must become an expert in time management. Know what is going on at all times. As a supervisor, you maybe performing work in one area, while at the same time, observing what your assigned personnel are doing. For anew supervisor, this may be difficult at first, but it is essential to your job. Just the fact that you show an interest and that you are paying attention to what your personnel are doing has a beneficial effect on the atmosphere and morale of the unit.

Performance Evaluation

Establish a clear concept in your mind of what you can expect from each individual. When a performance evaluation is prepared, some of the following questions may apply: How much output can I reasonably expect from each individual? What quality of performance is necessary for the task? Is quality or quantity more important in this task? What do I know about the personalities and work habits that will enable me to assist them in performing the best job they can?

When an individual's performance is below standard evaluate the procedures and consider why this is so and what can be done to improve it.

Counseling

You should use counseling for both negative or positive performance. Most personnel tend to do their best work when they feel the supervisor trusts and respects them.

Perform counseling sessions periodically. Before conducting adverse counseling, always make sure that you have all the facts. Counseling should be used to improve an individual's performance. It never hurts to ask questions before you comment. The answers may change the nature of your remarks considerably. Again, it is a good idea to keep the situation as casual as possible and avoid an attitude of accusation.

When possible, avoid using the type of criticism that merely condemns. Even when you see one of your workers performing a task entirely wrong, keep in mind your purpose is not merely to stop that worker, but at the same time, show the worker the correct procedures to follow.

After counseling, you should follow through to make sure that your directions are being followed. Your kindness and friendliness in offering criticism should not be taken as an indication of weakness but should be understood as a firm purpose to reach the goal of your assigned mission. Expect cooperation from your personnel. Usually that expectation on your part is enough to ensure compliance with your instructions, but if you find your directions have been disregarded take action promptly.

TRAINING

As supervisor, one of your most important administrative duties will be to plan and direct straining program. The Navy training program develops the knowledge and skills of personnel needed to support its missions. It also acts as a tool for personnel to advance in rate.

RESPONSIBILITIES

The Chief of Naval Operations (CNO) is responsible for training naval personnel. The CNO also directs various commands and offices to provide resources required to implement the training program.

The Assistant Chief of Naval Operations (ACNO) (Air Warfare) is responsible for establishing policy, requirements, and priorities of aviation training. The ACNO is also responsible for developing aviation training plans.

The Chief of Naval Personnel (CNP) is the head of Bureau of Naval Personnel (BUPERS). The CNP participates in the following:

- Personnel and training planning
- Development and rewiew of Navy training plans

- Meeting personnel inventory and skills requirements to support introduction of new systems and equipment
- Perform task analysis as specified by the CNO in support of new systems and aviation training requirements

The Commander, Naval Air Systems Command initiates development of recommended Navy training plans for new weapons systems and components.

TheChief of Naval Education and Training (CNET) provides formal training for the operating forces. It also provides necessary planning, programming, and budgeting for manpower and training resources.

The Commander, Naval Air Force Atlantic/Pacific (COMNAVAIRLANT/COMNAVAIRPAC) is responsible for the following

- Supervising, coordinating, and directing internal aviation technical and management training programs for all squadrons and units.
- Providing on-site training and management assistance to all Navy and Marine aviation units through the aviation maintenance management teams.

The commanding officer is responsible for training personnel under his or her command. Specific organizational training is delegated to the department heads such as the suply Officer.

Within a supply division, the AK1 may be assigned as the training petty officer (TPO). The TPO is the backbone of all division personnel qualification programs. The AKC is responsible for planning and directing personnel training and training junior officers in the division.

TYPES OF TRAINING

Training is conducted in Navy training schools or as on-the-job training at the command. Navy training schools include the AK Class A school and other related Class C schools. The AK Class A school provides the basic technical knowledge and skills required to prepare an individual for job entry level performance. The Fleet Aviation Specialized Operational Training Group (FASOTRAGRU) is under the direction of aircraft controlling custodian/type commander (ACC/ TYCOM). The FASOTRAGRU provides training to fleet personnel in courses covering aviation maintenance administration and management. Other schools include the advanced AK C school and specific training courses. An example of a specific training course is the Shipboard Uniform Automated Data Recessing System (SUADPS).

The command provides in-service training to assigned personnel. The formal in-service training is conducted through lectures supported by visual aids and required reading material. The schedule of training should be published listing the lecture, time, location, attendees, subjects, and instructors.

Prepare a lesson guide containing the following information:

- Lecture number (for identification)
- Time (duration of the lecture)
- Date prepared
- Date reviewed (include name and grade/rank)
- Title (subject of the lecture)
- Objective (purpose of the lecture)
- Instructional aids (material needed for, presentation)
- List of references (reference material the instructor should know before conducting the lecture)
- Presentation (complete narrative of the lecture contents)
- Summary (brief review of the points covered)
- Question and answer period

Informal training is referred to as on-the-job training (OJT), and is used to teach a specific job or part of a job to one or more individuals. In this type of training, experienced AKs should be assigned to instruct and demonstrate their skills to the less experienced. The training provided can be monitored by the effective use of a training syllabus. Another form of informal training is self-study. The Navy goes to a great deal of time and expense in developing training manuals and nonresident training courses for use by individuals in a self-study program. You, as the senior AK, should encourage subordinates to enroll in these courses to increase their supply background knowledge and permit them to improve their performance in their assigned functions.

PLANNING THE TRAINING PROGRAM

In a formal training command, this phase would be called *curriculum development* and several senior petty

officers would be given specific guidelines for writing an outline for a particular course of study. On an aircraft earner or on a naval air station, the senior AK in the department or division is required to develop a curriculum outline or a training program that will provide his or her subordinates with the training required to perform their assigned functions.

This section contains discussions concerning "where to start" and "developing the curriculum outline," so that training petty officers who do not already have a training program in place may obtain a basic idea of the procedures involved in establishing one.

Where to Start

As with any job, determining where to start is probably the most difficult phase. Although the following factors are not intended to be all-encompassing, the y should be considered when planning the training program.

PERSONNEL TO BE TRAINED.— The background and previous training of the personnel should be thoroughly examined when establishing a training program. For example, recent AK A school graduates have an excellent foundation in the supply field, whereas the nondesignated Airman who transfers from mess cooking or from the maintenance department may not be able to distinguish a stock number from a part number. Some of the data that should be examined for each individual are as follows

1. Present rate level. The AK2, AK3, and AKAN should have more background supply knowledge than the nondesignated Airman, who will probably require training in supply fundamentals. Rated AKs can be tested to determine their individual weak areas. A good testing tool is the AK3 nonresident training course.

2. Past education. 'his is an important factor, A person who has not finished high school may not have a good background in English reading, and writing skills, and may have difficulty reading or understanding a self-study assignment. This person may have difficult y learning complicated supply procedures except by repeated OJT. On the other hand individuals with 2 or 3 years of college credits should be in the habit of studying on their own, so a well-supervised program of self-study may provide them with all the supply information they need to perform satisfactorily. Local procedures can be learned separately.

TASKS TO BE PERFORMED.— Probably the most important function of any division or supply department training program is to make sure that individuals are properly trained to perform their assigned function. It is the responsibility of the applicable senior petty officers to outline these jobs and decide what training is required, For example, the stock control supervisor should decide what background data the stock records clerk requires to properly perform required functions. When all tasks have been analyzed, there should be a considerable amount of background information common to several tasks. This common data provides an excellent starting point in planning discussion lessons, and the data peculiar to one function are good subjects for OJT.

MANUAL OF NAVY ENLISTED MANPOWER AND PERSONNEL CLASSIFICATIONS AND OCCUPATIONAL STANDARDS, VOLUME 1, NAVPERS 18068.— This occupational standards (OCCSTDs) manual is an important tool in planning any training program. These standards are the minimum required for each rate level and, therefore, provide a good starting point for a training program.

TRAINING MANUALS AND APPLICABLE NONRESIDENT TRAINING COURSES.— The training manuals should be used in conjunction with the OCCSTDs manual. They are written with the intention of thoroughly covering all the occupational standards listed in the OCCSTDs manual. The applicable nonresident training course for each AK training manual is also a good device for planning the training program. It can easily be used as a testing device both to check the knowledge of the trainee before training, and to check the trainee's grasp of the information presented, after the training.

NOTE: When planning the training program using the OCCSTDs and the applicable training manuals and courses, the senior AK should make sure that the latest publication is being used. The Bibliography and the Personnel Advancement Requirement (PAR) Sheets identify study references for examinations. The *Catalog of Nonresident Training Courses* (NAVEDTRA 12061) identifies the most current training manuals.

SHIP'S TRAINING PROGRAM.— Most ships and stations have an official training program relating to leadership and general military training (GMT). This program must be integrated with the professional training planned by the senior AK.

Developing the Curriculum Outline

The senior AK should establish an outline of what is to be covered in a training program. Just what subjects are to be covered will depend on where the training is conducted (that is, afloat, ashore, in a squadron, and so on). Develop the outline using two basic steps: first, divide the training into sections, and then, determine the objectives for each section. These steps are discussed in the following paragraphs.

DIVIDING INTO SECTIONS.— There are several ways to divide the training into sections; the division depends on the training desired. The following list is an example of how the training maybe divided

1. Introduction
2. Instructor training
3. General military/leadership training
4. General supply background training
5. Aviation support division (ASD) procedures
6. Clerical procedures
7. Material handling and processing procedures

SECTION OBJECTIVES.— After dividing the training program into sections, the senior AK should write an objective for each section. The following are examples of objectives for the indoctrination and SSC procedures sections:

1. Indoctrination objective. The objective of this training section is to make sure that all new personnel checking into the division are aware of their chain of command, mustering responsibilities, division organization and responsibilities, pertinent departmental and ship instructions, applicable battle stations, educational opportunities, and general safety precautions.

2. ASD procedures objective. The objective of this training section is to completely indoctrinate applicable personnel in the various functions performed by the supply response section and component control section of the division.

Organizing and Administering the Training Program

Up to this point you have setup an outline for the training program and written objectives for each section. The next step for you or your assigned training petty officer is to organize and administer the training program. This step consists of selecting topics and references to supped the objectives of each section. You then analyze the various functions and determine if the training should be carried out by means of self-study. OJT, or discussion lesson. Then you develop the lesson/instructor guides for each topic and publish a training schedule.

TRAINING RECORDS

Establish a training record for each individual assigned in the division. You may use the format and arrangement of the training records according to OPNAVINST 4790.2 or the type commander instructions.

FILES

The types and arrangement of files within any office depend upon the mission of the office and the volume of official correspondence. The size and complexity of the Navy demand standard methods for filing correspondence. A standardized system prevents personnel from having to learn new filing systems each time the y transfer from one activity to another. Normally, general correspondence (such as letters, business letters, and memorandums) is stored in metal file cabinets, directives (notices and instructions) are filed in large binders, and messages are filed separately by date-time group.

FILING PROCEDURES

To maintain files effectively and economically, you should establish (1) a file location and control system, (2) the type of material to be included in the files, and (3) the procedures for the maintenance of the files.

Files should be located in a central area where control can be maintained and made accessible to all major users. Duplicate files should be avoided whenever possible. Individual personnel should be assigned to coordinate all activity within the files. Records retention and disposition should be established for each file, using procedures established in SECNAVINST 5212.5.

Files should not include unnecessary working papers, early drafts, or extra copies of documents. Files should only include incoming correspondence, copies of outgoing correspondence, and any essential supporting documents.

Documents should be filed loose in folders, unless fasteners are needed to hold pages in a particular order.

You should use prong fasteners rather than staples, clips, or rubber bands to hold material together.

When a document covers more than one subject, extra copies should be made and filed under each subject covered, giving the location of the basic document on each copy.

All documents removed from the file must be accounted for. When a document or entire file is removed, use a charge-out slip in its place for identifying the person temporarily holding the file.

ORGANIZATION OF FILES

File folders are used to keep correspondence orderly in the files. The total number of folders used is determined by the appropriate subject identification numbers or name-title symbols to be used and the volume of written matter in each category to be tiled.

The *Department of the Navy Standard Subject Identification Codes,* SECNAViNST 5210.11, provides a single standard subject classification system used for numbering correspondence and directives by subject throughout the Department of the Navy. This instruction contains a complete list of standard subject identification codes (SSICs) that identify subjects within each category. SSICs are required on all Navy and Marine Corps letters, messages, directives, forms, and reports. The use of SSICs provides a tested method for filing documents consistently and retrieving them quickly.

The SSIC placed on the correspondence by the originator helps to determine the correct folder in which to file the correspondence. However, in some cases, this number may not be appropriate for your particular office file and may require reclassifying. The proper method of classifying a document for the purpose of selecting the appropriate file is to read it carefully and analyze it, considering the following factors:

- The most important, definite, or concrete subject mentioned
- The purpose or general significance of the document
- The manner in which similar documents are requested by the user of the files
- The SSIC under which previous documents of a similar nature are filed

When documents are reclassified to confirm to your local files, you should cross-file a copy of the original document under the original SSIC so that when reference is made to that document in the future, it may be retrieved without a lot of research.

REPORTS

One important duty of the senior AK assigned to a supply activity is that of preparing or supervising the preparation of reports.

A report is defined as any statistical or narrative information in written or tabular format requested by one activity from another for the purpose of forming policy, controlling operations, evaluating performance, preparing publications, or preparing other reports.

Reports provide all levels of authority with information required for smooth and efficient operation. All data collected from reports are used for specific purposes.

Reports are classified as reaming, em-time, or feeder reports. Recurring reports are required at specified intervals or dates and/or upon the occurrence of an event or situation. One-time reports are required one time only and are not intended to be recurring. Feeder reports are required for the sole purpose of collecting data to prepare other reports.

A directive that specifies the submission of a report will outline the required format to be used. When the report is made on a specific form, the directive will state where the form can be procured and normally will show a sample report format. It will also specify due dates/times and identify the activities to which the report is to be forwarded.

Personnel should exercise extreme caution when preparing reports. The data submitted should be accurate and the format followed in detail. Otherwise, the purpose of the report maybe defeated. Erroneous data has little value when used for long-range planning.

Reports should be forwarded with a cover letter only if the instructions for reporting require such letters, or when amplifying information must be furnished.

When a report is assigned a report symbol by the directive or other authority requiring the report, it indicates that it is included in the Reports Management Program. This report symbol will normally appear on the printed report form. Certain types of reports are exempt from the control of the Reports Management program and are designated as “exempt” reports by the requiring authority. Examples of reports that are exempt are Top Secret and Secret reports and the majority of one-time reports.

CLASSIFIED MATERIAL CONTROL

The system of classifying and handling information and equipment is designed to prevent a potential or present enemy from using our own developments against us. The security classification of equipment or correspondence is assigned on the basis of the potential damage that could result if the information were available to foreign nationals. Handling and storage are also affected in that the higher classifications require progressively more protection.

AKs are often assigned to billets that require access to classified information and equipment and should, therefore, be prepared to handle them in strict accordance with the security regulations.

The objective of this section is to develop an awareness of security requirements regarding classified material and equipment. The latest edition of OPNAVINST 5510.1, *Department of the Navy Information and Personnel Security Program Regulation,* should be consulted for current security requirements and regulations. Local command or area requirements may be more specific or expand beyond Navywide requirements to meet local situations and should also be considered.

Responsibility

The Chief of Naval Operations (CNO) is responsible to the Secretary of the Navy (SECNAV) for all policies relating to the maintenance of the security of all classified information within the Naval Establishment. Because of the close relationship of counterintelligence and the preservation of security, the Director of Naval Intelligence (DNI) has been designated as the officer primarily responsible to the CNO for the protection of classified information. Therefore, the Office of Naval Intelligence (ONI) formulates and distributes Navy policy that relates to the security of all classified information.

Commanding officers are directly responsible for safeguarding all classified information within their commands and are responsible for instructing their personnel in security practices and procedures.

Objective

The objective of the orders and instructions that appear in OPNAVINST 5510.1 is to establish a coordinated policy for the security of all information that has been classified in the interest of national defense.

Information that requires administrative protection for reasons other than the interests of national defense is not considered as classified information and is not to be treated as such.

The Security Principle

The Department of Defense employs a security formula that is simple in principle. It is based on the theory of circulation control—the control of the dissemination of classified information. Therefore, knowledge or possession of classified information is permitted only to those who actually require it in the performance of their duties, and then only after they have been granted the appropriate security clearances. The principle is generally referred to as a "need to know."

Classification

Classified information is official information that requires protection in the interest of national defense and that is classified for such purpose by responsible classifying authority. Classified material is any matter, document, product, or substance on which classified information is recorded or embodied.

The three categories of classification are Top Secret, Secret, and Confidential. The definitions of these categories are covered extensive] y in *Basic Military Requirements,* NAVEDTRA 12043, and the *Department of the Navy Information and Personnel Security Program Regulation,* OPNAVINST 5510.1.

Marking Classified Matter

When it is determined that information or material should be assigned a classification, such information must be conspicuously marked as described in OPNAVINST 5510.1, chapter 9.

Storage Procedures

Classified material not in actual use or under direct personal observation must be stowed in the manner prescribed in chapter 5 of OPNAVINST 5510.1. This publication outlines the physical security standards and requirements that serve as a uniform guide for determining the type and degree of protection for classified material. These standards and requirements are designed to provide for flexibility as well as adequacy in the physical security program.

Keys for padlocks used to protect classified material must be given the same protection as the material they protect. It is essential that combinations be known or keys be accessible only to those persons whose official duties demand access to the container involved. The combination or key to the security container must be changed at the time received, at the time any person having a knowledge of it transfers from the organizational unit, at anytime there is reason to believe it has been compromised, or in any case not less than every 12 months. Any document showing the combination to a lock must be of the same classification as the material in the container secured by that lock. Records of combinations must be sealed in an envelope and kept on file by the security manager, duty officer, communications officer, or other personnel designated by the commanding officer. When selecting combination numbers, multiples of 5 (ascending or descending) or personal data such as birth dates and social security numbers should not be used.

RECORDS DISPOSAL

Information documents of actions and decisions made at policy level activities as well as in the field and fleet units, both important and unimportant, are distributed throughout the Department of the Navy on an increasing basis. Records disposal techniques must keep pace with these increased production and dissemination techniques. Temporary records must be identified, scheduled, and regularly destroyed, and permanent records must be identified and marked for preservation.

Congress has passed statutory and regulatory laws that govern the disposition of official records, both classified and unclassified and affixed penalties for their unauthorized destruction. The scheduling of government records is given legal status by the Records Disposal Act of 1943, as amended by the Federal Records Act of 1950. This amendment states that, as part of the responsibility for the establishment of a continuing agencywide records program, the Secretary of the Navy should propose retention and disposal instructions for all major series of Navy records. Article 1127 of the *U.S. Navy Regulations*, 1990, provides that no person may destroy or withdraw official records without proper authority. OPNAVINST 5510.1 provides for the destruction of classified matter. This and other regulations for safeguarding security information must be followed at all times in applying the provisions outlined in the *Navy and Marine Corps Records Disposition Manual,* SECNAVINST 5212.5.

One of the duties of a senior AK is to be able to determine what records should be held in the files for a period of time or what records should be destroyed or transferred for preservation.

Retention Standards

The records retention standards are the basis for the establishment of a command records disposal program. A retention standard denotes a description of a recorder series of records with a retention period stated in terms of time before the destruction or disposition. Refer to SECNAVINST 5212.5, Part III, for listing of retention standards for naval records.

Retiring Words to Local Storage Areas

Most supply records are short-term temporary records eligible for destruction in less than 5 years, and the bulk of these records have retention periods of 2 years or less. These short-term records should be cut off at regular intervals, retired locally, and destroyed by the accumulating activity as soon as their retention periods have expired. Generally, it is not economical to transfer them to federal records centers.

Spaces not suitable for normal office use such as basements, vacated warehouses, or other unoccupied spaces that are unattended and do not require specialized storage equipment are normally used for local storage areas.

Records eligible for local retirement must be short-term records that are eligible for destruction in 5 years or less and long-term records that must be retained close at hand until the frequency of reference to the records will permit their transfer to the federal records center.

Transfer to Federal Records Centers

Procedures for transferring records to federal records centers (FRCs) are outlined in SECNAVINST 5212.5, Appendix C. Activities are authorized to transfer records to FRCs under the following conditions:

- When the records are specifically designated in SECNAVINST 5212.5 for periodic transfer and designated as permanent or indefinite retention.
- Records have at least 3 years retention period at the FRC.
- Records are inactive and are not required for local operating purposes.

- It is cost effective to transfer the records to an FRC vice store them locally.

Activities should not transfer records to federal records centers under the following conditions:

- When inactive files are eligible for destruction within 3 years.
- When the quantity is less than 1 cubic foot of records. Small accumulations of expired retention records should beheld until the quantity accumulated is sufficient to justify transfer.
- When cost of transfer to the FRC outweighs cost of local storage.

Except when categories of records are designated specifically for transfer to a specific federal records center, activities should transfer eligible records to the nearest federal records center servicing the area as listed in SECNAVINST 5212.5, Appendix C.

CUSTOMER SERVICE

The *Naval Aviation Maintenance Program,* OPNAVINST 4790.2, describes the Aviation Support Division/Supply Support Center (ASD/SSC) as the single point where material control places requisitions for material requirements. In the Navy, this situation is the same in most cases. There is only one disbursing office, only one personnel office, only one place to get meals, and soon. The customer has no other choice but receive the services provided by the contact point representative.

In this text, we define the customer as anyone for whom a service is provided. The term contact *point* is the place or location the customer goes to get the service. The contact point representative is the person manning the contact point and providing the service.

RECOGNIZING THE EFFECT OF GOOD/BAD SERVICE

The organization, command, and the Navy is affected by the service provided by the contact point you are supervising. A bad service creates an attitude of resentment in the customer. However, this attitude is directed toward NOT ONLY the person giving poor service but also toward the Navy.

On the other hand, good service is beneficial to the Navy. Good service promotes teamwork, creates a positive attitude, and builds confidence.

Dedicated personnel are the Navy's most valuable asset. Too often, however, some of these personnel leave the naval service because they are dissatisfied and frustrated with the service they received. In such cases, the Navy has lost not only the person but also a considerable training investment.

RECOGNIZING THE NEED OF THE CUSTOMER

The supervisor must understand the need of the customer. This knowledge should be more than just processing requisitions, issuing material, or providing the status of a requisition. Everyone in the Navy has needs and requirements that should be met by the representative of the contact point. Although the type of services needed by the customers differ, the kind of service the customer wants is basically the same. The following text lists some of the customer's needs:

- To be regarded as an individual
- To be given more attention than a machine
- To be treated fairly and equally
- To get consideration for his or her time

Navy members requiring the service, as a customer, are persons who must be treated as individuals. The contact point representative should understand that customer's requirements also varies. For example, senior Navy members are more experienced and may not need detailed explanations or advice than junior members. Senior Navy members are aware of the service they are entitled and are less likely to accept poor service. Although all Navy members depend on others to get the service, the need is far greater for new members. These new members have less experience and need all the help they can get.

IMPROVING THE CUSTOMER SERVICE

You should use the self-evaluation check list to identify items requiring improvement in the contact point. You can use the following checklist as a customer or contact point representative.

- Do I present a good personal appearance?
- Do I thoroughly understand my rating?
- Have I organized my work and time so that the most efficient service is rendered?
- Do I maintain up-to-date and complete files or records?

- Am I familiar with the sources of information used at my point of contact?
- Do I speak and write clearly and understandably to the best of my ability?
- Do I accept responsibility for doing my job?
- Do I show consideration for my coworkers by what I say or do?
- Do I treat each customer as an individual with an individual need?
- Do I treat each customer with equality and fairness?
- Do I always give customers the correct information?
- Am I considerate of each customer's time so that I do not cause delays or inconvenience?
- Does my response to the customer show a willingness to help?
- If I were the customer, would I be satisfied with the service I received?

If you did not answer yes to each question, you should review those questions carefully and make necessary adjustments to improve yourself.

Physical Aspect

Another way of improving customer service is by evaluating the contact point. Improving the contact point is not the sole responsibility of the supervisor. Management techniques have shown that effective supervisors delegate responsibilities as soon as personnel demonstrate their ability to handle them. This does not lessen the supervisor's responsibility but it frees them from routine matters. It also gives the supervisor more time to complete important matters such as recognizing personnel.

The contact point must accommodate both the representative and the customer. The physical layout must provide maximum efficiency for both representative and the customer. For example, the chairs, desks, labor-saving devices, counter, and traffic pattern must be the factors for considering the layout.

When planning the layout, consider the following factors:

- The waiting line should extend away from doorways or passageways.
- Provide a table or counter if customers have to fill out forms.
- Provide chairs if customers must wait for service.
- Provide a measure of privacy when personal information must be obtained.
- In a large contact point, provide an initial place of contact to direct customers to the proper representative.

Setting the Tone

The desirable situation is that the atmosphere of the contact point has a positive influence on the representative. You, as the supervisor, exert the greatest amount of influence to the team. It is you that the members look up to as an example to develop their own work habits. You must develop the atmosphere in the contact point that promotes teamwork and the purpose of the service. As these attitudes develop, you will find that they become more and more self-sustaining.

The standards for performance and behavior developed by the team is the combined standards of its members which is acceptable to the supervisor. (NOTE: The supervisor must be familiar with and meet the standards set forth by higher authority.) The team then exerts its influence on each member to meet the standards. Any new members will be aware of the attitude of the team. As the new member develops knowledge and job skills, it is likely that similar attitudes will be accepted and developed.

Molding the Team

In the Navy, all jobs are important. They are all part of the assembly line that accomplishes the mission. The performance of a particular job is important to the worker, the contact point representative. The worker must be able to see some worth in the job to maintain a sense of personal pride. If the worker is convinced that the job has little value, it is a reasonable assumption that the supervisor considered the worker to be of little value.

In some cases, the representative assigned to a job is over qualified You should provide an adequate explanation along with the job assignment to the representative.

Planning job assignments for new members can stimulate initiative. New members should be assigned to a job, which is the first step to increasing responsibility. As the new member becomes proficient,

reassign the member to a job that requires higher responsibility.

You must keep communications with the team members open. Although team members should work on their own, they should know that they can come to you for answers. To encourage team members to assume responsibility, the supervisor must be able to recognize ability, set goals, and acknowledge achievement.

RECOGNIZE ABILITY.— This helps in assigning members to the job they are capable of doing. As the member's ability progresses, reassign him or her to the next level of responsibility.

SET GOALS.— You should set goals that are meaningful and realistic. Goals may be set for an individual member or for the team. Set the goals just above the level the member is achieving. If the goals are too low, there is no challenge. If they are too high, members will likely reject them.

ACKNOWLEDGE ACHIEVEMENT.— Achievements of the members should be recognized. This is not only for the one or two outstanding members of the team but is also for the achievement of others. The following is a list of some positive results from recognizing achievements:

- It provides the new member with the needed boost toward increased responsibility.
- It develops initiative.
- It challenges the good performer to maintain the same level or improve performance.

TRAINING

Each new representative manning the contact point requires immediate training. The extent of training needed depends upon the other training received and previous experience of the member. Consider the following factors concerning the extent of training you should provide to members.

- Members who completed AK A school should have a good basic knowledge of the job but will need indoctrination on local procedures.
- The member who had the same experience in an identical or similar contact point would have the same training needs.
- Members who do not have the basic training or experience must receive all the training requirements to qualify for the job.

When basic training is needed by the new member, do it immediately. You can determine the extent of training new members need by reviewing their service record, training record, and conducting personal interviews.

The training sessions are used to accomplish the following results:

- Stimulate the trainees to develop a self-evaluation process.
- Make trainees aware of their lack of knowledge.
- provide needed knowledge.
- Encourage a mutual exchange of ideas and knowledge.

A few well-chosen questions can usually start the process of self-evaluation. Then, if trainee participation is encouraged, he or she will provide the topic for the future training sessions. However, the members must know what they are expected to do and then be afforded the opportunity to do it.

Upon completion of training, provide a follow-up interview for each member. This is just as necessary as the training step, from both the viewpoint of the supervisor and the new member.

BUDGETING

The budget process is the final phase of the integrated multiphased process for the establishment, maintenance, and revision of the defense program and budget. The annual budget expresses the financial requirement necessary to support the approved defense program developed during the planning and programming phase. Annual budget estimates, therefore, define what the Department of Defense (DOD) expects to accomplish with the resources quested for that year. This information gives the Secretary of Defense and the President of the United States an idea of the impact that current decisions have on the current defense posture.

The budget plan in the Navy begins when the Comptroller of the Navy issues a call for budget estimates to applicable commands. These commands include the following:

- Chief of Naval Operations (CNO)

- Commandant of the Marine Corps
- Various naval offices and bureaus
- Navy systems commands
- Fleet commands
- Other commands that report to the CNO

ASHORE

In the supply department ashore, civilian personnel perform the budget process. Budget execution/ administration at the shore activity level is primarily oriented toward measuring the activity's performance against its previously submitted budget plan. Major claimants/subclaimants are responsible for preparing operating budget estimates for higher authority. They also issue specific planning data and budgetary guidelines to their shore activities. The activities use the guidelines for submitting operating budgets based on the guidance published annually in the office of the Comptroller of the Navy. Commanding officers prepare operating budgets based on this guidance. The size of the activity determines the method commanding officers use to develop the budget. In huge activities where there are sizable cost centers, it maybe necessary to develop the estimates in the cost centers. In a smaller activity, it may be feasible and economical to develop the operating budget in the budget office.

The development of a local operating budget is a process of determining requirements at the lowest echelon. his level may be at the cost center or subcost renter.

AFLOAT

The fleet commanders are major claimants. They provide the designated expense limitation holders and responsibility y centers under their command with instructions and guidance for budget preparation and submission. If your input is required, it will be formatted according to the instruction.

SUMMARY

In this chapter we discussed your role and responsibilities as an AK supervisor. We also discussed the skills and knowledge required of a supervisor. You must have greater skills and knowledge than the personnel you supervise to be able to assess the efficiency of the work center. Since work environment changes, your leadership behavior and skills may also require changes to maintain its effectiveness. To cope with changes, you must play a role in doing the changes.

There are various management techniques that you may use. To be effective, use the one that will promote production and personnel welfare and support the overall mission of your command.

The efficiency of a work center depends upon the performance of its personnel. A work center with well-trained personnel results in improved production of both quantity and quality. You must have a training program in place to develop your personnel to the highest level of performance. Each completed training session must be recorded in the individual's record for future reference.

The material control or supply department work centers are customer-oriented areas. The AK supervising these are as must be aware of the customer's needs to provide the best service. To help you improve customer service, we discussed the check list that you can use to identify the items that need improvement.

Very few AK supervisors will be directly involved with the command's budget process. However, you should be familiar with the overall budget development process in case your services are needed to develop them. Inmost cases, you will only need to provide input for the command's budget process. This input may include the annual budget needed to sustain operations of your work center or needed material for supply department stock When performing the budgeting process, follow the instructions and guidance provided by your fleet commander or major claimant.

CHAPTER 2

STORAGE AND MATERIAL HANDLING

The supply system constantly performs material receipts, storage, and expenditures. These functions are essential elements of providing supply support to aviation maintenance and other organizations. Aviation Storekeepers should know the basic elements that make these tasks easier to accomplish.

Afloat, the supervisor is responsible for ensuring that materials are safely brought on board. The supervisor is also responsible for making sure incoming material is processed properly. Material must be properly identified, inspected or verified (as needed), sorted, distributed, and documented.

Ashore, you may not be involved with the actual receiving and storing of material during normal operating hours. The civilian personnel workforce usually perform these functions; however, you must know the functions to make transactions during emergencies. After normal operating hours, the duty section may be involved in peforming these functions. As the supervisor, you are responsible for making sure the job is properly done. Other tasks the supervisor may get involved with is planning the storage and office layout. The plan may be required for constructing new or additional buildings or rearranging stock to accommodate new procedures.

The efficiency of supply operations depends largely on the smooth flow of material and paperwork. As the supervisor, you should be able to identify storage and support areas that need improvements.

DEFINITIONS OF TERMS

Several terms are used relating to storage and material handling in the Navy. These terms include the following:

AISLE— Any passageway within a storage area.

ALLOCATED SPACE— A definite number of net square feet of a specified type of storage space formal] y apportioned for use.

BAY— Designated area within a section of a warehouse, normally outlined or bounded by posts, pillars, columns, or painted lines.

BIN AREA— An area for the storage of small items.

BINNABLE ORDER PICKING— Order picking system in which small quantities of material are picked from open cases or shelf boxes.

BIN STORAGE SPACE— Area in which bins have been erected, including aisles and working space between bins.

BLOCK STORAGE— Storage of similar containers or material in blocks of two or more units wide, two or more deep, and two or more high.

BRIDGE PLATE— Plate usually made of metal, used to span the space between the truck and the loading platform.

BULK STORAGE— Storage in warehouses of any large quantity of supplies usually in original containers, or storage of liquids, lumber, or petroleum products.

CAROUSEL STORAGE SYSTEM— Endless loop monorail-supported storage system, which moves storage carriers past an operator station.

CUBE— The product of length x width x depth.

DRIVE-INRACK— Pallet rack system in which the pallets are supported on the sides permitting a forklift truck to drive into the rack structure to store or retrieve loads.

FLOOR LOAD— Weight that can be supported safely by a floor, expressed in pounds per square foot of floor space.

FLOOR PLAN— A scale drawing of the floor area of a building showing columns, stairwells, elevator shafts, offices, heads/washrooms, doors, and other structural features.

GROSS STORAGESPACE— Gross area, regardless of its location or designated purpose, used for any operation concerning storage or the support of storage functions.

HAZARDOUS COMMODITIES— Materials consisting of explosives, flammable material, corrosives, combustibles, oxidizers, poisons, toxics, sources of ionizing radiation or radiant energy, biological and radiological, magnetics, and compressed gases that, because of their nature, are

dangerous to store or handle and present real or potential hazards to life and/or property.

HONEYCOMBING— The storing or withdrawing of supplies in a manner that results in vacant space that is not usable for storage of other items.

LAYOUT— A floor plan showing assignment of gross space for storage operations and support functions.

MANNED STORAG/RETRIEVAL MACHINE— A variation of the storage/retrieval (S/R) machine containing an operator cab that permits use of the machine for order picking.

NET STORAGE SPACE— Floor area on which storage racks and/or bins are erected and on which bulk material is or can be stored.

ORDER PICKING TRUCK— A forklift-type of machine on which the driver rides up and down on the mast in an open cab. The vehicle is specifically designed for order picking and is not suitable for pallet Storage/retrieval.

PALLET RACKS— Metal racks of multiple levels used for the vertical storage of pallets.

PLANOGRAPH— A *scale* drawing of a storage area showing the approved layout.

RACK ORDER PICKING— Order picking system in which unopened (full) cases of material are picked from pallets or pallet rack shelving to fill orders.

RACK SPACE-Any floor area identified as a specific location and distinguished from bulk storage, occupied by racks, box pallets, or pallets with metal superstructures installed when used as permanent storage aids.

STORAGE/RETRIEVAL (S/R) MACHINE— A specialized machine, usually computer controlled, used for rapid storage and retrieval of materials.

STRUCTURAL LOSS-In covered warehouses, this is the gross space that is not usable for storage because of obstructions. These obstructions include the frosts, pillars, ramps, door clearances, fire walls, and installed equipment. Structural loss does not include the spaces used for aisles.

In open storage, structural losses are spaces taken up by firebreaks and clearances. Firebreak is a barrier of cleared or plowed land intended to check a grass fire.

SUPPORT SPACE— The storage space used for receiving, shipping, packaging/preservation, inspection/identification, packing, crating, assembly, and offices. It also includes parking areas for material handling equipment (MHE), battery charging stations, rest rooms, tool rooms, locker rooms, time clock area, and break rooms.

SWING ARM SORTER— A sorting device that uses a pivoting arm to sweep an item off a conveyor and onto the proper discharge lane.

TILT SLAT SORTER— A flat surface sorting conveyor built of pivoting slats. A number of slats determined by package size are tilted to discharge the item into the proper lane.

TOTE BOX— A small durable container usually used for order picking and/or shipping of small items.

TOWLINE— A continuous chain conveyor used to pull wheeled carts around a fixed path. The conveyor may be mounted overhead or in the floor.

STORAGE ASHORE

The basic resource of any storage operation is the storage space. The cost of storage operations depends upon the optimum use of the space and efficient procedures for the receipt, storage, and issue of materials. Minimizing cost in storage space can be obtained by thorough planning for the use of the space. The different types of storage facilities ashore are described in detail in the AK3 training manual. The *Warehouse Modernization and Layout Planning Guide,* NAVSUP P-529, provides information in planning the layout of modem storage facilities.

PLANNING THE STORAGE LAYOUT

A storage area floor plan layout is an excellent management tool in the effective use of space. The floor plan shows the divisions of space into storage, support areas, and aisles. The floor plan also shows the square footage of gross space, nonstorage space, and the net space available for storage.

The required storage space is the key factor in planning warehouses ashore. Several factors are used in computing the required storage space. These factors include the following:

- QUANTITY OF INVENTORY. This is the basic part or conversion factor in estimating the required storage space.
- CHARACTERISTICS OF STORAGE FACILITY. This includes storage limitations

such as stacking height, floor capacity, structural clearance, and other obstacles.

- EQUIPMENT CAPABILITIES. Use of potential warehouse storage height may be restricted by the equipment's inability to reach the full vertical space.
- MATERIAL CHARACTERISTICS. The maximum stacking height depends upon the material or its packaging. The material characteristics could cause the stacking height to vary.
- TOTAL WAREHOUSE STORAGE SPACE. The gross storage space within a warehouse includes the support spaces, aisles, structural loss, and net storage space.
- OCCUPANCY OF NET STORAGE SPACE. Occupying the maximum net storage spare can be hindered by ceiling heights, material characteristics, and "elbow room." Sufficient "elbow room" should be available to minimize relocation to make space for new receipts. Fifteen percent of net available space is considered an adequate allowance for "elbow room" for general supplies.
- AISLES. The layout plan must include the aisles to prevent placement-of material in inaccessible areas and loss of space.

MATERIAL FACTORS

Items with similar handling requirements should be stored together when practicable. This will facilitate storing, caring, and moving of material. The fastest moving items should be stored in areas easily accessible to MHE and issue personnel. Loose and unpacked items issue areas should be adjacent to packing and processing areas. Slow moving items should be stored farther from active or processing areas.

DIMENSIONS

The critical factors in developing the layout for storage operations include the relationship between the equipment and warehouse dimensions. Although there are various types and styles of forklift trucks, shelvings, bins, and racks, few conform to predetermined standards. Different makes and styles of forklift trucks require different aisle widths and turning radii. Racks and shelves have different internal dimensions such as column and rail thickness.

OPERATION

Several factors should be considered in planning the layout to support efficient operations. These include handling classification, special handling requirements, pallet rack operations, and small items.

Handling Classifications

There are three basic handling classes of storage in the Navy system. They include the following:

- High cubes and large lots. A limited storage space is needed for bulk or high cube items or large quantity of palletized items.
- Palletized packaged material. These are items of various sires, shapes, and configurations that are stored on pallets. These items include instruments, system components, parts, power tools, and so forth.
- Shelf or bin material. These are small items that can be stored in bins or shelves.

Separation of Elements

Storage spaces used for stowing materials that require special handling need careful planning of storage layout. These are materials that require environmental control, air conditioning, or security and are stored separately from general commodities. Hazardous items should be stored or handled to prevent hazard to personnel and facility. Strict segregation of incompatible materials is mandatory. Incompatible hazardous items, when accidently mixed, could cause fires, explosions, or give off toxic gases. Sensitive items require a high degree of protection and control. Shelf-life items are handled on a first-in, first-out basis.

Pallet Rack Operations

This is the simplest way of handling material. There is no difference in handling a pallet load of batteries or a pallet load of electronic circuit cards. The MHE interfaces with the pallet, and the material on the pallet does not influence the way the material is handled.

Small Items

Small items are materials that can be stored in bins or shelves. In planning the layout, consideration should be given to the shelvings, bins, and MHE. Always consider the number and height of the required

shelvings or carousels and MHE such as high rise stock pickers.

MANPOWER

Planning the layout should include a projection of work schedule and manpower requirements of the supply operation. The layout must accommodate the use of MHE and time of manual operations. For example, if two MHEs are needed to accomplish one day's production in a storage area, the transportation aisles should be wide enough to accommodate them. On the other hand, operating in multiple shifts will require reduced equipment requirements and smaller aisle dimensions. Only one MHE, for the use of first and second shift, will be required to accomplish one day's production.

MATERIAL FLOW

Plan the storage layout to ensure an orderly flow of material. The most critical flow area is located where various operations meet and interact. These areas must have balanced throughput and accumulation space to operate efficiently. The flow pattern that you can use is either the cyclic or the straight line flow. The type of flow pattern selected depends upon several factors. These factors include the function of the facility, relationship between receiving and shipping operations, and the relative size, weight, and quantity of material receipts and shipments.

The cyclic flow pattern is useful for low or moderate storage activities. It permits an efficient use of internal material transport system in moving materials. It allows the transport of material from the receiving area to storage, to order picking, and to shipping docks. Figure 2-1 illustrates a typical cyclic-flow pattern.

The straight line flow is used in high activity operations where the material does not go to intermediate storage. The typical application of this pattern is in a high activity freight distribution area. In this case, the activity receives loads of commodities, sorts them by destination, and reloads them to outbound trucks. This flow pattern emphasizes rapid and direct transfer of material from receiving to shipping. Figure 2-2 illustrates a sample straight-line flow pattern.

SPACE UTILIZATION

In planning the storage facility, the space-utilization layout includes the site space of the building, floor area, and the building "clear height." Planning the site of the building is a job for engineers and architects. You may be involved with planning the warehouse floor area and "clear height" for maximum storage utilization. The following text describes some factors that you should know before you do the plan.

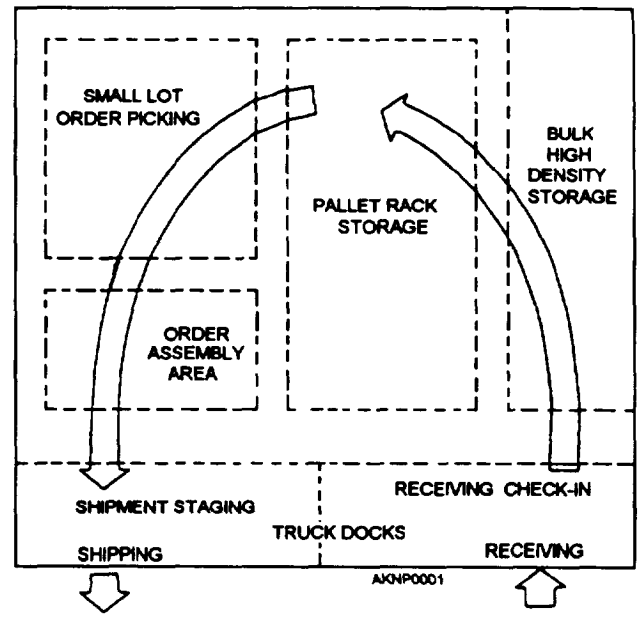


Figure 2-1.-Typical cyclic-flow pattern.

Utilization of Floor Area

The storage pattern for facilities used for pallet rack operations is designed according to the MHE that will be used to move the material. The dimensions of the aisles depend upon the size of the forklift trucks. Material handling and storage methods used to actually

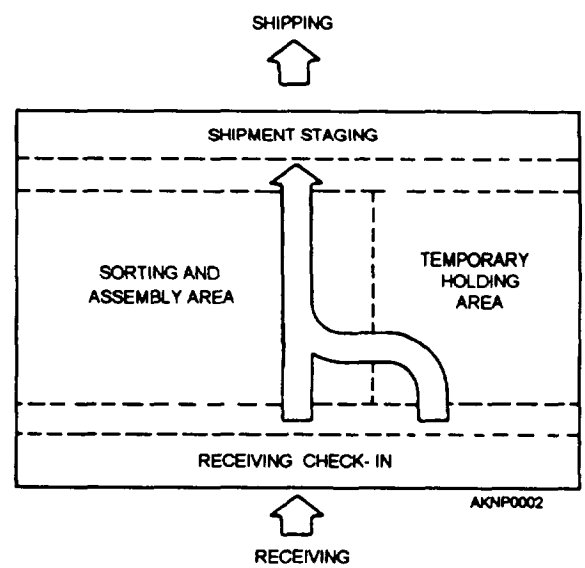


Figure 2-2.—Typical straight-tine flow pattern.

move and store material are affected by some limiting factors. These factors are

- the dimension of the pallet or load to be handled,
- the dimensions of the MHE to move the pallets, and
- the spacing between support columns and overhead clearances.

In general, utilization of floor area is maximized by minimizing aisle spare. Aisle space can be minimized by using modem narrow aisle storage equipment and storing material in depth when possible. An example of depth-type storage are those materials that are inventoried in multiple pallet quantities. See figure 2-3 for an example of storing material in depth. In this example, the different categories of palletized material in each row are identified by letters.

Utilization of Building Clear Height

The term *clear height* is often confusing when dealing with architects or engineneers. It can mean the height from the floor to the bottom of the roof or to the bottom of the beams. In material handling, "clear height" means the height under all lighting, heating, and other overhead obstructions. Clear height is the available effective height for storage space that is below all necessary clearances. The overhead clearance required below the sprinkler system is at least 18 inches for stacks up to 15 feet. This clearance must be at least 36 inches for stacks higher than 15 feet. All overhead obstructions must be 10 inches above the highest equipment clearance level.

The utilization of clear height is affected by the stackability of the material, storage space, MHE, and floor-load limit. When pallet racks are used to achieve storage height, the stackability of material is not critical. When using floor stacked bulk storage, the stackability and instability of material directly affect the height of storage. Using storage aids such as pallet frames will permit load stacking and provide protection to the material.

Aisles

The preplanning of the aisles in the layout must be done before placing material in storage. Aisle layout is determined by the structure of the building, quantity, nature, and activity of the material to be stored. The aisle should be wide enough for maneuvering the type of MHE to be used. The aisle in bins and shelving areas should be wide enough for stock selector trucks. Normally, this requires an aisle of 30 to 36 inches in width. The aisles should provide a straight, clear, and unobstructed passageway. To determine the width of the aisles, use the measurement of the turning radius of the MHE.

The working aisles are used whenever material is placed into or removed from storage. The two types of working aisles are the transportation aisles and the cross aisles. The transportation aisles run the length of the building. The cross aisles run the width of the building. Depending on the activity or operations, most warehouses require two transportation aisles. The aisles should be wide enough to permit two-way traffic for the MHE being used in the area.

Personnel aisles are those used as pedestrians routes only to provide access to doors or other areas. Having this type of aisle should be held to a minimum. Use the working aisles also as pedestrian routes if traffic and safety permits.

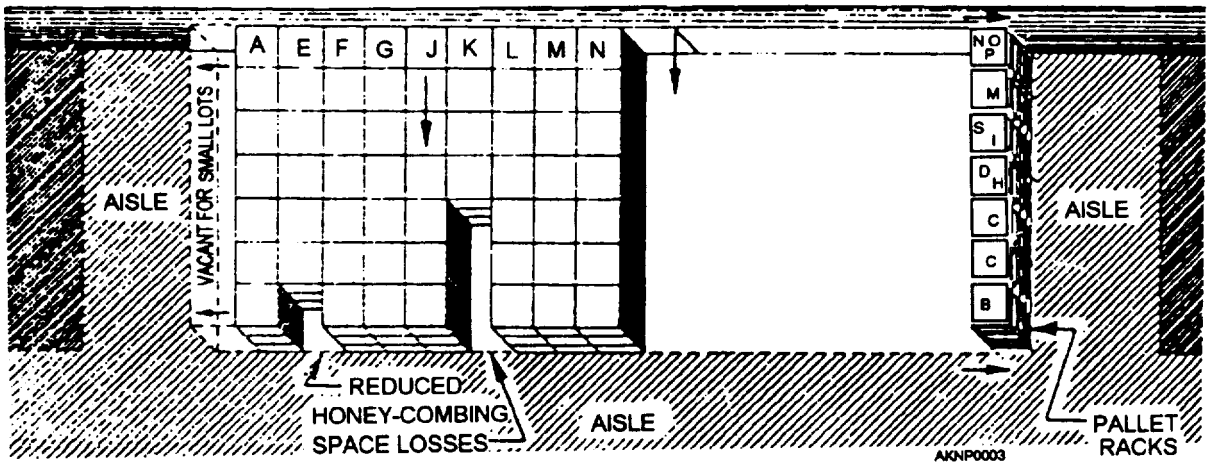


Figure 2-3.-Storing palletized material in depth.

Service aisles are those that permit access to stacks for inventory, inspection, or protective processing. These type of aisle requirements are normally very limited. It is not needed for warehouses that store bulk items in rows with the same number of containers in each pallet. Similar items stored in rows facilitate inventory as well as issue and make service aisles unnecessary.

STORAGE TECHNIQUES

Proper storage techniques used to store, identify, and retrieve materials will facilitate the efficiency of the operation. These storage techniques are the popularity and similarity methods.

The popularity storage technique involves the activity pattern of the material. This is used by storing the items with high activity level (fast movers) closest to the storage and retrieval functions. The purpose for using this technique is to minimize travel time by locating the items as close as possible to the processing locations. 'Ibis method of storage is considered the best since it allows quick access to high demand items. See figure 2-4 for an illustration of the popularity storage method.

The similarity storage technique uses the physical characteristics of the material to classify the items. The two most common methods used in classifying the items are by the type of packaging and stackability of material. The basic principle of similarity storage is that like items should be stored together. 'his technique is commonly used for storing rubber tires, bales of rags, electronic equipment, paints, and soon.

SUPPORT AREAS

The support areas are the nonstorage parts of the warehouse that are used to support various operations. These areas include office spaces, shipping and receiving, battery charging spaces, preservation, packing, and crating.

Office Spaces

The office areas include spaces for the supervisor, secretary, foreman, and clerks that are directly associated with warehouse operations. General administrative offices are not classified as warehouse "support areas." The office area should accommodate one or two people and provide one desk and two chairs per individual. Space should also be provided for filing cabinets, tables, or electronic equipment such as computers.

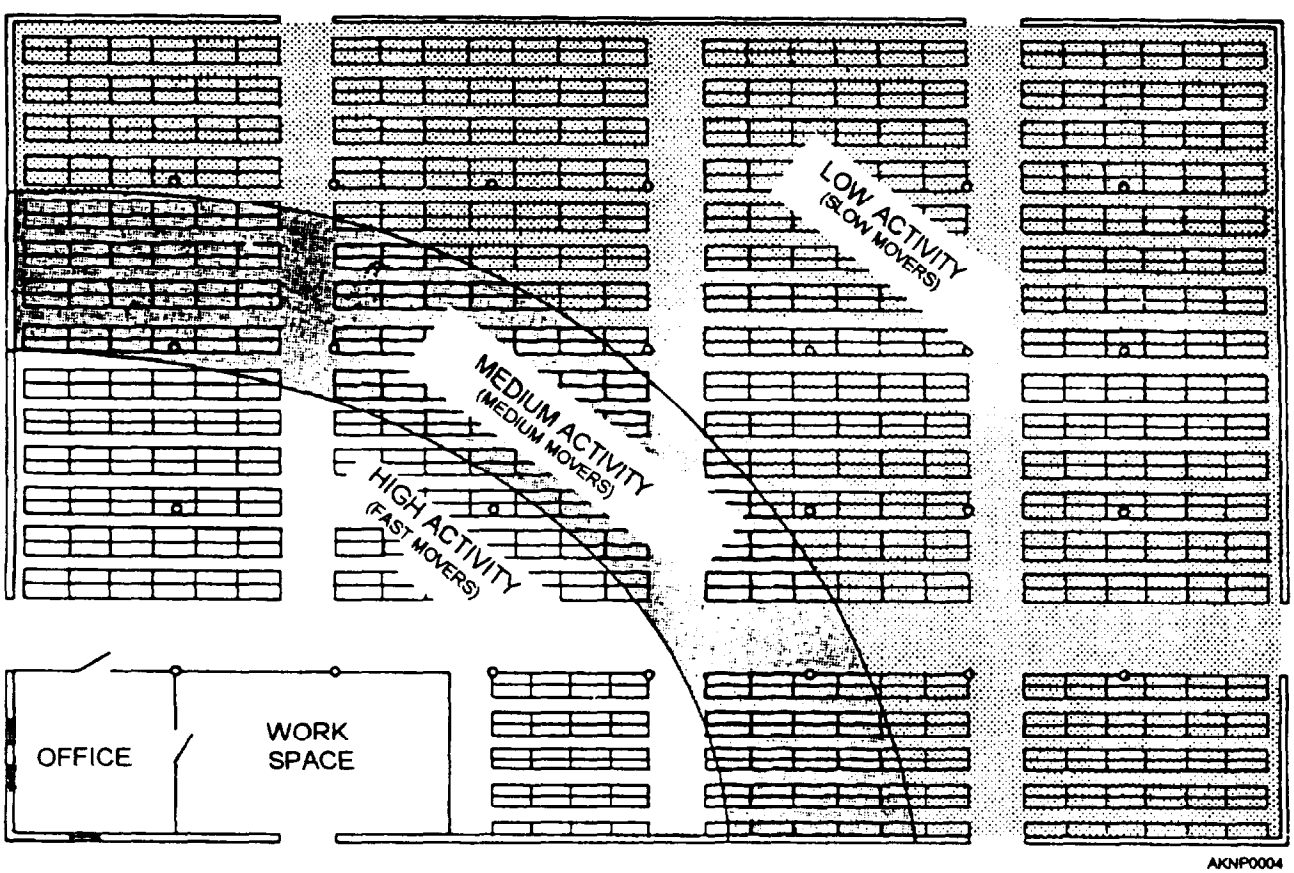


Figure 2-4.—Popularity storage method.

Shipping and Receiving Areas

These areas consist of the staging and load accumulation space used to support the shipping and receiving functions. These support areas may include a small office or desk for use by the shipping and receiving foremen. In general, they do not contain large amounts of Office space.

Truck Dock Areas

Certain areas aree used for loading and unloading highway trailers. They are located immediately in front of the truck dock doors that are used for securing the operating area.

Battery Charging and Handling Areas

These areas consist of the spaces allocated to the charging and handling of vehicle batteries used in the material-handling equipment. When electric vehicles mused, this support area can also include maintenance areas and other work areas associated with the maintenance and upkeep of the material-handling vehicles.

Preservation, Packaging, Packing, and Crating Areas

'These support areas consist of any area dedicated to the protection or packaging of any material being stored or handled in the facility. These areas are generally associated with the receiving function of presentation and the shipping funnction of packing, packaging, and crating areas.

PLANNING THE OFFICE SPACE LAYOUT

The ability to plan an effective and efficient use of office space will be a skill that is useful to you throughout your career. You can refer to *Military Handbook*, *Facility Planning and Design Guide*, MIL-HDBK-1190, for the space criteria to be used.

Planning an efficient layout requires a great deal of thought, study, and a thorough knowledge of the functions for which facilities are to be provided. When a revised plan is not too radically different from the present layout, it maybe possible to make the changes at once. When extensive revisions are indicated, expensive changes may be required and may have to be postponed until a future date. Strive for the best possible solution at the least possible cost. Many times inexpensive substitutions can be made by using familiar items in a new way or by capitalizing on available talents.

Some important items to be considered in preparing layouts are discussed in this section. No effort is made to present a magic plan that can be adapted to fit every situation. To some extent, a good layout depends upon having an efficient organization in the beginning.

The effective use of office space is an important consideration of the supervisor. Like any other part of supply, the office should be designed for production. A poor arrangement of office space wastes time and energy by failing to provide the means for effective work habits. When conditions are such that there is no place to put needed documents or publications, the telephone is on the wrong desk or on the wrong side of the desk, lighting is inadequate, personnel are seated beneath a ceiling vent or facing a window or wall, the flow of work is uneven. Again, when personnel who do detailed or repetitious work are located so that they are constantly interrupted by traffic flow, then the result will obvious] y be less productive.

An office could be defined as a work area for handling information or a production area with data processing equipment. Office planning could then be defined as determining the arrangement of all physical components into a coordinated unit that can most effectively handle the volume of work and the type of information necessary to carry out a mission.

Workflow

The movement of paperwork into and through the office is a fundamental consideration in determining the arrangement of the physical units. Careful planning is required to provide a minimum amount of travel from desk to desk and to prevent the basic circulation patterns from becoming clogged. In an office where large volumes of documents are handled on an individual basis, the flow of work will usually form a constant pattern. The arrangement of components, therefore, can and should be designed to accommodate the flow of paperwork. In contrast, in an office where there is less volume and/or the paperwork is batch processed, the flow of paperwork should not be the dominating factor in determining the office layout.

Objectives

Office layout consists of several objectives that should accomplish the following:

1. Produce a smooth flow of paperwork
2. Use space effectively to assist good supervision
3. Locate equipment, machines, and aisles conveniently
4. Add to the comfort of the people who work there
5. Present a favorable appearance

6. Provide for future expansion, reduction, or moving, as the case may be

Factors for Consideration

While many unique situations may be encountered in planning office layout ashore or afloat, it is not practical to outline a standard procedure to follow here. Some general guidelines are as follows:

- Use one large space in preference to an equal area of small spaces. This permits better lighting, ventilation, supervision, and communication.
- Keep desks, filing cabinets, and other equipment at uniform size in any one area to improve appearance.
- Use straight, parallel lines in the layout. Avoid offsets, jogs, and angular arrangements.
- Provide for paperwork to flow in straight lines, if possible.
- Provide for expanding workloads.
- Keep layout flexible, anticipating future changes.
- Keep related and similar components close together.
- Place supervisors at the rear of their work groups, so they can easily observe problem areas.
- Have working personnel facing in the same direction, not each other.
- Arrange desks so that ample natural light comes over the left shoulder (or right shoulder for left-handed personnel).
- Avoid having personnel face a window or wall, be close to heat sources, or be in line of drafts.
- Provide sufficient electrical outlets for equipment.
- Locate components that normal] y have many visitors near the entrance to avoid disturbing other personnel.
- Locate tiles and frequently used equipment near those who use them.
- Place filing cabinets back to back.
- When possible, provide a lounge area (including vending machines and bulletin boards) so that personnel may relax during rest periods away from their work area without disturbing other working personnel.
- Allocate the prescribed number of square feet per worker as discussed in the following paragraphs.

Spare Standards

When computing the required space for an office, 60 square feet is a desirable standard floor area for each clerical worker. This figure should be doubled for the division officer and the division leading CPO. To illustrate, suppose an office force is to be composed of eight clerical workers plus the division officer and CPO. The space requirement for this office would be 720 square feet (8 x 60) +(2 x 120). An office 20-feet wide and 36-feet long would meet these standards. This standard is based on using double pedestal desks, standard aisles, and the normal accumulation of tiles. There is, of course, no fast rule for the number of square feet per office worker, so this is only for estimation or comparison. The space that can be used is influenced by the nature of the work, the available total area, the number and type of office equipment used, the shape and exposure of the space, and obstructions within the space.

Adequate space may not be available aboard ship to meet these standards. This is overcome partially by using smaller single pedestal desks and by reducing the volume of files. However, the basic considerations are still people, workload, and workflow. The fore, crowded and awkward working areas should not be tolerated if any other solution can be found. Some temporary solutions that might be considered are staggering working hours or establishing a night shift so that some of the desks can be used by two workers, using vacant storage space for office work, taking advantage of school quotas, and borrowing space from other divisions.

Space standards may be broken down in individual items such as desks, chairs, and files. For example, when standard double pedestal desks (60 inches by 34 inches) are arranged as single units with aisles adjacent, or when they are arranged in pairs, end for end, with aisles adjacent to each desk, the minimum space standard from back to back of desks is about 72 inches. This allows a 3-foot space for the chair and for getting in and out from behind the desk. When three or more desks are used end for end, with aisles adjacent to outer desks only, the minimum standard per desk is increased by 1 foot, providing a chair space of approximately 4 feet. The extra foot is required by the middle person for entry and exit.

Figure 2-5 illustrates space standards for various desk arrangements. Generally speaking, the two-desk,

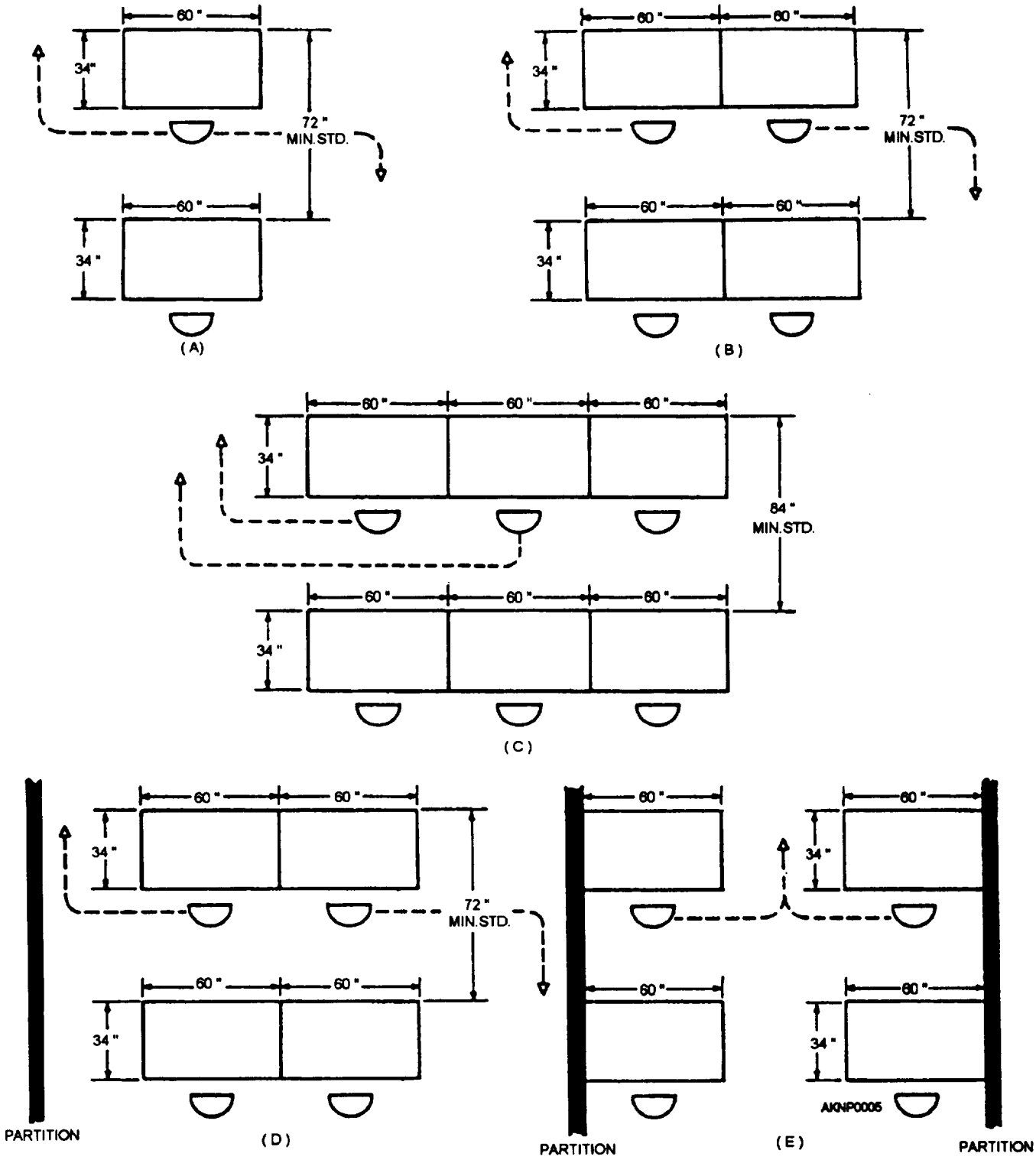


Figure 2-5.-Space standards for desk arrangement A. Single-desk; B. Two desks, end-for-end; C. Three desks, end-for-end D. Two-end aisles; E. One-center aisle.

end-for-end arrangement (plan B, fig. 2-5) requires the least space per worker, and the single-desk arrangement (plan A, fig. 2-5) requires the most. The best arrangement is sometimes influenced by the dimensions of the space as shown in plans D and E in figure 2-5, Aisle space standards should range from 3 feet for secondary aisles to 8 feet for main corridors, depending on the traffic.

The space requirements for filing cabinets depend on the size of the cabinet, the frequent y of use of the material filed, and the arrangement. The standard legal file cabinet is 18- inches wide and 30-inches deep. The drawer opens out an additional 28 inches. For inactive or dead files, no additional aisle space is necessary. For active files, 24 additional inches for the aisle are required, or 36 inches if files are arranged facing each other. Figure 2-6 illustrates some common arrangements of filing cabinets.

BULK STORAGE

The term bulk storage refers to the storage of palletized or packaged item in large quantity of loads per item. You will find this operation in areas dealing with storage of dry goods, paper, or sonobuoys. The operations in these areas usually require the use of material handling equipment (MHE).

In the aviation community, most Aviation Storekeepers work with retail store procedures in the Aviation Support Division/Supply Support Center (ASD/SSC). the AKs use the term *bulk storage* to describe the location of any items that require material handling equipment (MHE) during storage or issue. These items include heavy, bulky, or irregular-shaped material in crates or pallets.

The following text describes the bulk storage procedures for storing items in large quantities.

Factors That Affect Bulk Storage

Some of the factors that you should consider in the layout are described in the following text.

- Item stackability
- Honeycombing
- Inventory profile
- Quantity of storage

You should observe the principle of storage by quantity when developing the stack layout plan. If the stack layout is not planned before storing material, it will result in wasted storage space or inaccessible stock. Storing material by sequence (figure 2-7, view A) can cause honeycombing and storing different material by slot (figure 2-7, view B) may generate locked stock. Figure 2-7, view C, illustrates the maximum use of storage space by applying the space approach, appropriate pallet racks, and a location system.

The objective in floor stacking is to maximize access while minimizing aisle loss. The inventory profile tells the number of items and the number of pallets per item. This will enable you to determine the need for short and deep rows of stock.

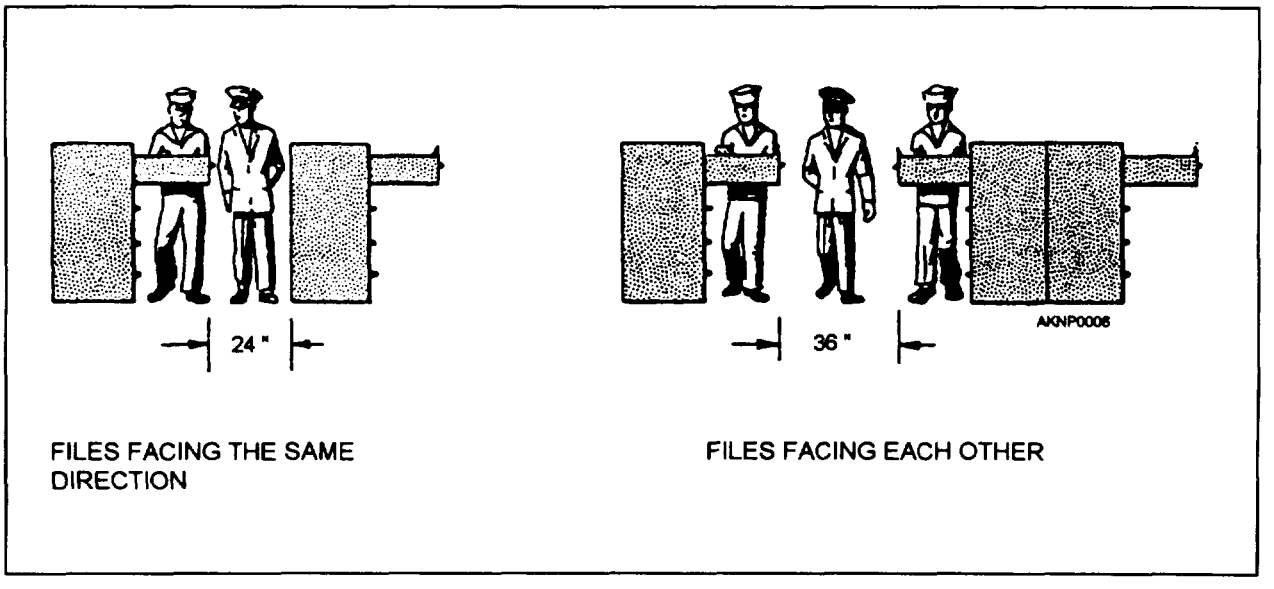


Figure 2-6.-Aisles space for filing cabinets.

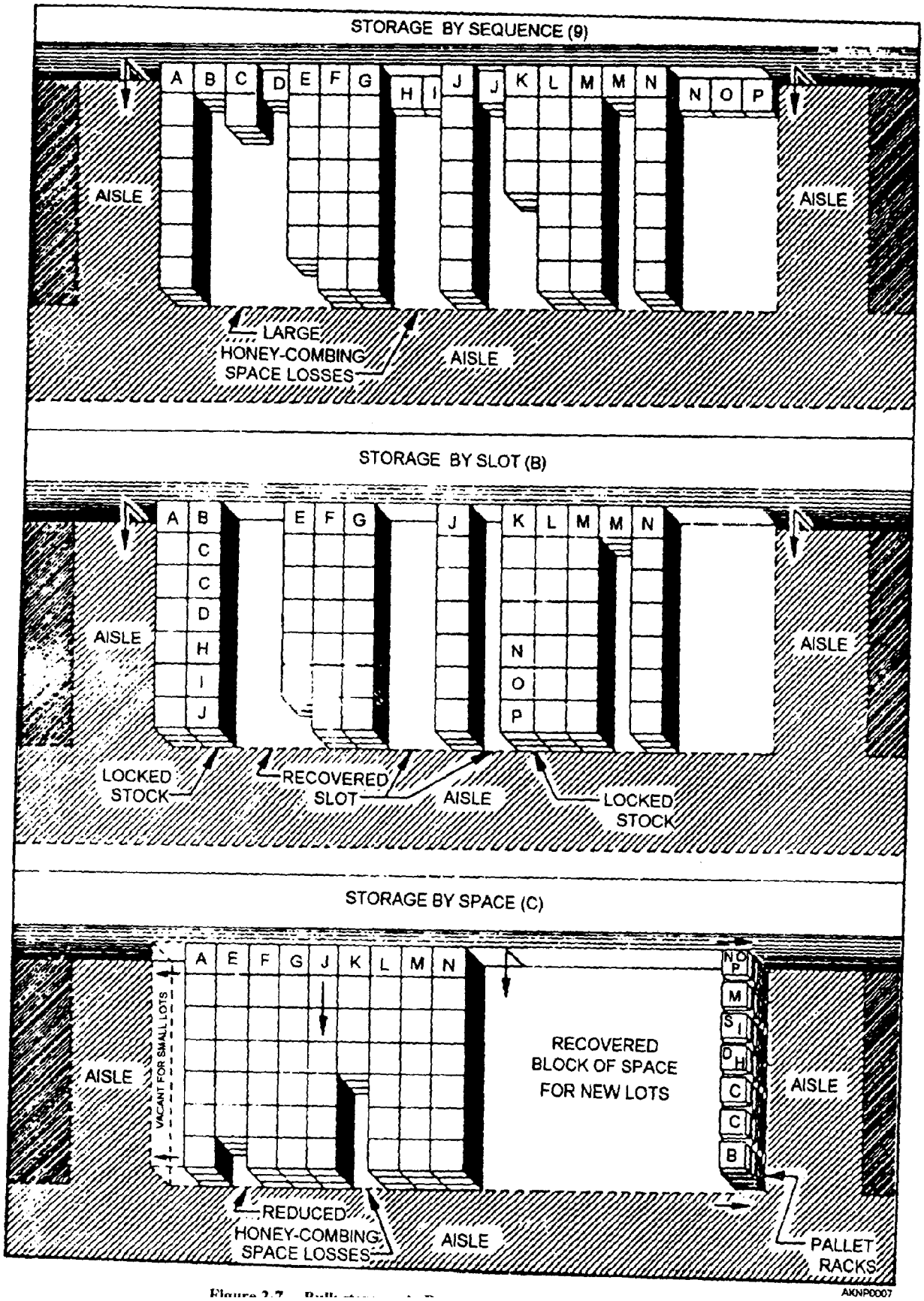


Figure 2-7.—Bulk storage: A. By sequence; B. By slot; C. By space.

Honeycombing is storing or withdrawing of stores that result in a vacant space that is not usable for storing other items. This lost space can be either horizontal (floor area) or vertical above other stock.

Materials in storage that are stacked too high and too deep can pose a problem for the MHE operator. A forklift operator cannot see beyond four stacks of pallets. The operator can be too closely confined when penetrating more than two vehicle lengths in single-width slot (one pallet wide.)

Equipment Considerations

The particular MHE to be used requires different aisle patterns and overhead clearance in building structures.

In planning the storage building, the column spacing is usually coordinated with the MHE. The aisles should be wide enough to accommodate the safe operation of the MHE.

It is also essential that the overhead and obstruction clearance above the maximum lifting height of the the MHE. To fully use the lifting capability of the MHE, the building must have an adequate overhead clearance above the maximum lifting height of the MHE.

SHORE HAZARDOUS MATERIAL STOWAGE

Shore hazardous material storage areas will be designated following the base fire marshall's recommendations, local regulations, and NAVSUP Publication 573. Chapter 4 of NAVSUP Publication 573 discusses the Department of Defense (DOD) requirements for facilities designed to store hazardous material.

STORAGE LAYOUT AFLOAT

The term stowage is most often used for storage afloat. Stowage of material afloat requires that you know how to determine the stowage layout best suited for the material, that you know the precautions to be taken to safeguard both the stores and the ship, and that you be familiar with the rules governing the accessibility of the stores.

SPACE ALLOCATION AND LAYOUT

Stowage space afloat varies from one ship to another. The physical arrangement of material is dependent upon the internal construction of the storeroom to be used. The location of doors, hatches, nonstructural stanchions, ventilation ducts, and other obstructions should be reviewed to permit the maximum use of the space available for stowage. Requirements for enclosed bins, open racks and shelving, stanchions, gratings and battens, and miscellaneous storeroom accessories must be determined to achieve efficient stowage.

in planning the stowage layout and allocation of available storeroom space, you must consider the categories of stores that are to be stowed separately (for example, commissary, ship's store, ship's repair parts, general stores, and aviation stores) and the volume of storage space that is required for each category.

SPACE LAYOUT FACTORS

The detailed stowage layout should be arranged to allow for maximum stowage capacity, access to all stores, orderly arrangement, and security/safety of stores. Essential items should be dispersed in stowage among the various sections of the ship to reduce the effects of battle damage to particular parts of the ship. Material that is bulky, fragile, perishable, flammable, susceptible to damage by heat or moisture, or that possesses any other physical characteristics that affect the safety of the ship or personnel should be given primary consideration in the layout of stowage plans,

Material should be stowed in spaces as near as practical to where the items are to be used. Heavy bulk items should be located so that a minimum of handling is required. Items that must be handled by personnel should be placed to minimize the risk of injury when lifting. Where MHE cannot be used, items should be broken down into units that can be safely lifted by one or two individuals. Storerooms serviced directly by ship's hatches and cranes receive first consideration for purposes of bulk stowage. Special racks may be installed on the hangar deck for stowage of fuel drop tanks, helo blades, and so on. Hangar deck and gun sponson spaces may be allocated for the stowage of aircraft engines, catapult seals, arresting gear cables, buddy stores, and so on. Other factors to consider are as follows:

- Locate light, bulky material in storerooms with a high overhead clearance (to maximim the use of available space).
- Segregate materials that are similar in type or classification (for example, hazardous/ nonhazardous, large/small, shelf-life/nonshelf-life).
- Locate frequently requested material as close as possible to the point of issue and in storerooms that are most convenient to maintenance personnel.
- Locate shelf-life items in a readily accessible area to facilitate periodic screening.
- Install appropriate stowage aids in spaces in which they can be effectively used.
- Provide for aisles that are at least 30-inches wide between bins, racks, and/or cabinets.
- Arrange materials with identification labels facing outward to facilitate issue and inventory.
- Place hazardous materials in designated storage areas, segregated by compatibility and hazard.
- Avoid, as much as possible, multiple locations for the same item.

MATERIAL IDENTIFICATION

Storeroom custodians should make sure that all items in stowage are legibly marked, tagged, or labeled with a stock number, Navy Item Control Number (NICN), or other appropriate identification markings. When necessary, technical assistance from other departments may be requested to determine proper identification of unmarked or illegibly marked materials. Items that cannot be identified must be turned in ashore for disposition.

Hazardous materials that are missing labels or are not properly labeled with the name of the material, hazard of the material, and name and address of the manufacturer, should be refused receipt. Containers of hazardous material obtained through open purchase should be accepted only if they contain a manufacturer's label with the name of the material, hazard of the material, and name and address of the manufacturer. The afloat or base Hazardous Material Coordinator will be contacted if any hazardous materials in storage are discovered to be lacking proper labeling.

MATERIAL PROTECTION LEVELS

Material procured for the Navy is provided the degree of preservation, packaging, and packing specified by the cognizant inventory manager to the extent necessary to protect the material from deterioration and damage during shipment, handling, and stowage. For definitions of specified protection levels and descriptions of codes marked on unit packages and exterior shipping containers, you should refer to *Supply Afloat Packaging Procedures,* NAVSUP P-484. You should also refer to this publication to determine adequate protection of ready for issue (RFI) materials and unserviceable mandatory turn-in repairable to be transferred to another activity.

STOWAGE LOCATION SYSTEM

The general storeroom layout is basically the same on each ship; that is, the storerooms are numbered or lettered in sequence beginning with storeroom forward on the starboard side, and progresses from starboard to port, upper level to lower level, and bow to stem. The locations within a storeroom are generally numbered with the numbering system being uniform in all stowage spaces.

The location of each item in stock will be maintained on tape in the Shipboard Uniform Automated Processing System (SUADPS) master record file (MRF) and printed as part of the master stock status and locator listing (MSSLL). The maximum number of locations for one item listed in the MSSLL is four. Each location will be designated by a five-character alphanumeric number (for example, Al 238), except when the configuration of the storage area or physical characteristics of the material dictate an alternate system. Instructions applicable to records for stock material located in other departmental spaces can be found in chapter 6 of *Afloat Supply Procedures,* NAVSUP P-485.

STOWAGE AIDS

Consistent with the stowage criteria and layout factors, storerooms are outfitted with bins, racks, shelving, lockers, drawer cabinets, deck grating, battens, and or other stowage aids best suited for the types and quantities of material to be stowed. Refer to chapter 4 of NAVSUP P-485 for illustrations of different types of stowage aids used afloat. When stowage aids need to be modified or relocated, or when additional aids must be manufactured by a repair ship

or shipyard, an appropriate work request must be submitted using the *Ships' Maintenance and Material Management (3-M) Manual,* OPNAVINST 4790.4.

HAZARDOUS MATERIAL STORAGE

Certain materials with inherent hazardous properties require special stowage facilities and handling precautions. Afloat hazardous material stowage is more restrictive than shore requirements for damage control purposes. Storage requirements for each type of material are provided in OPNAVINST 5100.19, chapters C23 and D15, on the Material Safety Data Sheet (MSDS), and in NAVSUP Publication 573.

MSDSs are available on the Hazardous Material Information System (HMIS), which replaced the Consolidated Hazardous Item List (CHIL). The HMIS is distributed on compact disk-read only memory (CD-ROM) format only. The HMIS in compact disk (CD) format contains both the DOD 6050.5L and DOD 6050.5LR. The CD format is issued quarterly. Each issue contains updates in its entirety.

The HMIS provides the users the information needed to properly manage hazardous materials. 'The system provides Material Safety Data Sheets (MSDSs) for standard stock numbered items, and a wide range of information concerning safety, health, packaging, and labeling. The HMIS gives a Hazard Characteristic Code (HCC) for each item, which defines the storage requirements. The HMIS also lists the transportation information and disposal code for each item. The disposal code indicates the pretreatment method and ultimate disposal action prescribed for spilled, spoiled, or other waste quantities of the item to which it applies. The HMIS does not contain information for items procured through open purchase.

The Ships Hazardous Material List (SHML) is a record of the hazardous material (HM) carried aboard U.S. Navy ships for which there exists a valid requirement. The SHML provides ships with the capability of determining which hazardous materials are authorized for shipboard use to preclude stocking of materials for which the ship has no use. Materials which do not appear on the SHML should be suspect of being in excess and should not be ordered. A SHML Feedback Report can be submitted to add items to the SHML if a valid requirement exists. Quantities of materials are not provided in the SHML, nor is the SHML to be used as specific to a ship or ship class. The SHML is a list of HM that any ship with a valid need is authorized to have on board. The Material Safety Data Sheet (MSDS) in the HMIS will state in the first section whether or not the item is authorized by the SHML.

NOTE: The SHML in CD format has been incorporated into the Hazardous Material Control and Management Program (HMC&M). The HMC&M in CD format contains the SHML, HMIS, and Hazardous Material User's Guide (I-MUG).

To report SHML inconsistencies or new products, use the feedback report, NAVSUP Form 1400. This form is included in the SHML on the CD and an example is illustrated in chapter 2 of NAVSUP P-485.

If the item to be reported has an assigned national stock number (NSN) and application data, but not listed in SHML, submit the report directly to Naval Inventory Control Point-Mechanicsburg (NAVICP-MECH). This type of report does not require the commanding officer's (CO's) approval. Send an info copy of the report to the applicable type commander (TYCOM).

The report for items that do not have assigned NSNS or application data and not listed in the SHML will require the CO's approval. The report must be signed by the CO and submitted to NAVICP-MECH via the TYCOM.

When procuring nonstandard HM, the request must include a copy of the approved SHML Feedback Report. The approved report will serve as required certification to procure the nonstandard HM that is not listed in the SHML.

SHIPBOARD HAZARDOUS MATERIAL STOWAGE

Shipboard stowage facilities commonly used for hazardous items are discussed in the following paragraphs.

NOTE: FOR THE HAZARD CHARACTERISTIC CODES (HCC'S) OR SMCC'S FOR THE FOLLOWING ITEMS, SEE OPNAVINST 5100.19, APPENDIX B3-E.

FLAMMABLE LIQUIDS STOREROOMS

The flammable liquids storeroom is normally located at either end of the ship, below the full-load waterline, not adjacent to a magazine, and is equipped with an automatic fire alarm and fire extinguishing system. This type of storeroom should also be equipped with incandescent and explosion-proof overhead lights (protected by lamp guards), with the switch located outside the compartment, and nonsparking vent fans

with the controllers located outside the compartment. Flammable items requiring stowage in the flammable liquids storeroom are assigned Hazard Characteristic Codes (HCCs) or special material content codes (SMCCs) in the HMIS as follows

- Liquids: Codes F, J1, G, P (when applicable to wood alcohol)
- Pastes, greases, and other semisolids: Code G
- Solids: Code J2

ACID LOCKER

An acid locker is a leak-proof lead-linedbox, chest, or locker especially designed for stowing bottles or carboys of acid. A label bearing the inscription ACID BOTTLE STOWAGE in 3/8-inch letters must be securely attached to the lid of each acid locker. Acid lockers for flammable acids are kept in the flammable liquids storeroom. However, acid lockers that contain only medical acids may be kept in a medical storeroom under the custody of the medical department representative. Items that must be kept in the acid locker are assigned Special Material Content Code (SMCC) "C" in the HMIS. Nitric acid, which is coded Cl, must be kept in the acid locker.

ALCOHOL LOCKER

An alcohol locker is a chest or locker used for security stowage of grain alcohols that are highly susceptible to pilferage (that is, ethanol or ethyl alcohol). Alcohol lockers are located in the flammable liquids storeroom. However, lockers that contain only medicinal alcohol (100 proof or less) maybe located in any secure space designated by the commanding officer, as described in chapter 1, paragraph 1118-4c of NAVSUP P485.

TYPES OF HAZARDOUS MATERIALS

Some materials have inherent properties that make them hazardous to personnel, to the ship, or to both. These materials can be stowed safely when the proper care and precautions are taken.

Acid

Stow liquid inorganic acids, such as hydrochloric, sulfuric, nitric, an phosphoric, bottled in glass or plastic in such a manner that they are cushioned against shock. They should be kept in their original shipping carton inside suitable acid-resistant lockers, cabinets, or chests, located in storerooms below the full-load waterline.

Except where stowed in chests or lockers, the lower part of the bulkhead where acids are stowed must be covered with a watertight rubber lining. A label inscribed ACID BOTTLE STOWAGE in 3/8-inch letters must be attached securely to the outside of the storeroom door. Acids should be stowed separately from oxidizing or flammable materials. Corrosive acids (or vapors) must not be allowed to come in contact with the skin ore yes. Storeroom custodians who stow or issue these acids should wear rubber gloves, rubber aprons, and goggles to protect themselves and their clothing from acid burns.

Alkalies

Alkaline materials are also classified as corrosives, but have different chemical properties from acids. Alkalies, such as lithium hydroxide, sodium hydroxide, lye, phosphates, laundry products, and oven cleaners must be stowed in designated lockers, cabinets, or chests, separated from acids, oxidizers, and other incompatible materials. Ensure the stowage area is dry.

Alcohol

Since most commonly used alcohols have a flash point below 100°F, all alcohol will be stowed in the flammable liquids storeroom. Not all alcohol is readily identifiable by name. For example, many lacquer thinners have methanol (wood alcohol), which is extremely poisonous, as the principal ingredient. The HMIS identifies these items by name and NSN. As stated before, grain alcohol (ethanol or ethyl alcohol) must be stowed in an alcohol locker.

Oxidizing Material

Many shipboard fires with resultant fatalities have been attributed to improper stowage or handling of oxidizing materials, particularly calcium hypochlorite. Oxidizing materials listed in the HMIS are identified by HCC "D" SMCC "J." Nitric acid, a strong oxidizer, must be stowed in the acid locker. Oxygen, gas, and calcium hypochlorite must be stowed according to the following paragraphs on calcium hypochlorite and compressed gases. All other oxidizers are stowed in a dry compartment, away from combustible materials.

Calcium Hypochlorite

Calcium hypochlorite itself is noncombustible; however, it is a strong oxidizing agent that generates heat, liberates chlorine, and causes fire when stowed in contact with paints, oils, greases, detergents, acids, alkalies, antifreeze, fabrics, and other organic and combustible materials. Calcium hypochlorite must be stowed in bins or lockers labeled HAZARDOUS MATERIAL-CALCIUM HYPOCHLORITE in red letters on a white background. The bins or lockers should be located at least 5 feet away from any heat source or surface that may exceed 140 degrees Fahrenheit. The bins and lockers should not be subject to condensation or water accumulation. The are a must not be adjacent to a magazine and must not be used for storing combustible organic materials. An individual locker or bin must contain no more than 48 six-ounce bottles.

Compressed Gases

Compressed gases must be stowed on the weather deck unless the ship has below-deck stowage spaces specifically designed for such material. Compressed gas cylinders must be stowed vertically and securely with valve protection caps in place, away from other flammable materials, especially grease and oil. When compressed gases are stowed on the weather deck, the cylinders must be located as far as possible from navigation, fire control, or gun stations, and must be protected from the direct rays of the sun or accumulation of snow and ice. When compressed gases are stowed below decks, precautions must be taken to prevent leaking gases from entering ventilation air intakes leading to working or living spaces. Usually, empty cylinders still have some gas remaining in the cylinders; therefore, empty cylinders must be stowed and handled with the same precautions as full cylinders, and labeled "MT." Compressed gases, particularly the flammable and explosive gases, must be handled with extreme care, Some general rules for handling compressed gas cylinders are as follows:

- Take every precaution to prevent cylinders from being dropped or forcefully struck against hard surfaces (including other cylinders). Do not tamper with the safety devices in cylinder discharge values, When cylinders are not in use, make sure that the valve protection caps are securely attached.
- Prevent cylinders from contact with fire, sparks, or electrical circuits.
- Do not drag or slide cylinders. They should be secured and moved by hand trucks, or tilt the cylinders and roll them on the bottom edge.
- Secure cylinders in a cradle, pallet, or rack when they are loaded or off-loaded with a crane or derrick. Never hoist cylinders with electromagnets or with hooks or line attached to the valve protection cap.
- Do not alter or deface the numbers or other markings on cylinders; do not add markings without approval of the engineer officer; and do not issue cylinders if the contents cannot be identified.

Detailed information relative to the stowage, handling, and use of various types of compressed gases is contained in the *Naval Ships' Technical Manual,* chapter 550. For specific markings and color codes that apply to cylinders of compressed gases, refer to *Military Standard, Color Code for Pipelines and Compressed Gas Cylinders,* MIL-STD-101B. The hazardous gases commonly used by ships include acetylene, oxygen, propane, and various refrigerants.

Acetylene is inherently unstable and may explode when subjected to heat or shock, or upon contact with chlorine or certain metals such as copper, silver, and mercury. Therefore, acetylene must be stowed separately from oxygen or any other materials with which it forms an explosive compound; the gas must never be allowed to escape into an enclosed area; and the cylinders must be protected from flames, sparks, lighting, and static electricity. Test for suspected leaks with soapy water.

In moderate concentrations, acetylene may act as an intoxicant. In higher concentrations, it will cause unconsciousness, and ultimately, asphyxiation. Some grades of acetylene also contain many impurities. Therefore, breathing of acetylene in any concentration for any length of time must be avoided.

Acetylene in cylinders is dissolved in acetone, which has a tendency to flow into the valve if the cylinders are stowed horizontally. For this reason, acetylene must be stowed and used only in an upright position, valve end up. When it is known or suspected that acetylene cylinders have been stowed on their sides, they must not be used until they have been in a vertical position for at least 2 hours.

NOTE: CHLORINE GAS IS NOT AUTHORIZED FOR SHIPBOARD USE.

Oxygen and chlorine are oxidizing gases that because they can bum without air, strongly support combustion. Oxygen and chlorine cylinders must be stowed on the weather deck or in a separate watertight storeroom that has at least one compartment between it and any space that is used for the stowage of combustibles such as flammable liquids or gases, ammunition, paint, gasoline, and oil.

Nonflammable gases include helium, nitrogen, carbon dioxide, and argon. Because of their inert characteristics, they may be stowed with flammable or oxidizing gases. However, since these nonflammable gases will not support respiration (a sufficient concentration in a closed space will cause asphyxiation), they must be stowed on the weather deck or in other well-ventilated spaces.

AEROSOLS

Aerosol products are liquids, solutions, or powders suspended in a gas propellant and contained in dispensers equipped with release valves. Containers of aerosol are used for the disposal of paints, enamels, lacquers, insecticides, silicones, rust preventives, and so forth. The aerosol propellants may be low-boiling halogenated hydrocarbons or other hydrocarbons such as liquified propane or isobutane. Aerosol cylinders will burst if exposed to heat sources in excess of 120°F and are prone to leakage if subjected to impact. Aerosol propellants are extremely flammable and, insufficient concentration, can be anesthetic or asphyxiating. All aerosol products, therefore, should be stowed in the flammable liquids storeroom or in cabinets away from oxidizing materials. A mechanical ventilation must be used, when necessary, to remove accumulated vapors in storage spaces.

Flammable or Combustible Material

Flammable liquids have a flash point of 100°F or below. Combustible liquids, greases, and pastes have a flash point of 200°F or below. Items that are flammable and/or combustible include the following:

- Gasoline, oils, kerosene, and other petroleum products
- Chemicals
- Stencil paints, marking inks, and printer's ink
- Solvents, thinners, primers, compounds, varnishes, and lacquers
- Alcohol, acetone, ether, and naphtha
- Greases and pastes

Except for drummed petroleum products that may be stowed in racks on the weather deck, flammable liquids, and other flammable or combustible material must be stowed in the flammable liquids storeroom.

Radioactive Material

Radioactive items are listed and identified by SMCC as R (or X, if radioactive and magnetic) and an HCC of "A." Radioactive instruments, electron tubes, and certain other items are labeled with the conventional United States Nuclear Regulatory Commission (USNRC) radiation symbol, which must not be removed or obliterated. The radiation levels of radioactive material depend upon the type and concentration of isotopes in each unit and the number of units stowed together. Any area used for stowage of radioactive material must be conspicuously posted with the standard radiation symbol and the words CAUTION- RADIOACTIVE MATERIAL and, as a minimum, must be monitored when initial or replenishment stocks of radioactive items are being stowed. Rubber gloves must be worn, and extreme caution must be used in handling damaged or broken radioactive material to avoid being absorbed through skin abrasion.

WARNING

Any suspected radiation hazard must be promptly reported to the radiological safety officer and a representative of the medical department.

Toxic Substances

Poisonous substances can cause discomfort, asphyxiation, or even death if ingested or inhaled, or if absorbed through the skin. Therefore, adequate precautions must be taken to prevent such dangers when stowing or issuing toxic material. Toxic substances, which do not fit any other category of stowage such as flammable liquid or acid, must be stowed in a cool, well-ventilated area, separate from acids, and must be protected from fire hazards or impacts that may break seals or damage the containers. Each case, carton, and individual container of toxic material must contain a warning label with the words POISON! IF TAKEN

AND POSSIBLE DEATH! It is particularly important to make sure that containers of poisonous liquids, such as industrial alcohol, are clearly identified and labeled to prevent human assumption, which can be fatal. The most commonly used toxic substances on board ships are pesticides.

HAZARDOUS MATERIAL SPILLS AND EMERGENCIES

When using MHE or moving quantities of hazardous materials between receiving, storage, and issue, the possibility exists for spills and mishaps. Some hazardous materials can cause severe health hazards, burns to the skin and eyes, or give off toxic gases. Spilled material can endanger the facility, the ship, personnel, and the environment. Material Safety Data Sheets (MSDSs) provide emergency spill procedures, and every base or ship has spill contingency plans and a spill response team in place should a mishap occur. Supply personnel should be trained on emergency procedures should shipping containers fall or break open, if material contacts personnel, or if a fire occurs in a hazardous material area. Supply personnel should also be trained in the use of safety equipment, such as extinguishing systems, ventilation units, personal protective equipment, and alarms.

MEASUREMENT OF STORAGE SPACE

Measurement of a storage space is an important part of planning the space layout for storage or office areas. You will also use the standard measurements of bins, pallet racks, pallets, and other storage items. Shore activities are required to prepare and submit the Storage Unit Report, NAVSUP Form 605. The *Supply Ashore*, NAVSUP Publication 1, Volume 2, describes the procedures for preparing the report. Although every AK may not be involved in the actual preparation of the report, you may be asked to provide some of the information. The following information will help you learn some of the terms and computations used in storage operations.

TOTAL GROSS STORAGE AREA

Measure the total gross area by multiplying the length by the width, in feet, of the inside dimensions of the building. Measure from wall to wall and disregard the inside structures such as fire walls, passageways, ramps, stairwells, and so forth. The result will be the square-foot area or total-gross area. The measurement will be less than the outside dimensions by the thickness' of the walls.

Some storage buildings may have a cutback in the walls or areas not designed for storage. The measurement of the cutback is excluded from the total gross area.

Open storage may be either improved or unimproved. The total gross storage area must include the entire own improved area. For an open unimproved area, report only the area actually occupied by stores or used in support of storage operations.

GROSS SPACE FOR STORAGE OPERATIONS

To calculate the gross space for storage operations, take the gross storage area minus the unusable space, standby spare, and space outgranted to other DOD or non-DOD activities.

NET STORAGE SPACE

To get the NET STORAGE SPACE (in feet), take the total gross space for storage operations minus gross space used for aisles, structural loss, and support spaces. The result will be in square feet.

The aisles include the fire aisles, personnel access aisles, main aisles, and cross aisles.

The structural losses are those areas not usable for storage because of obstructions caused by their characteristics. These include the pillars, posts, ramps, door clearances, and fire walls. These also include the spaces occupied by equipment such as electrical panels, dehumidifiers, and so on. In open storage, structural loss includes fire breaks and clearances for utility lines.

The support space is the gross space used in support of storage operations. These spaces include shipping, receiving, packing and preservation, and offices. Other areas include MHE parking areas, battery charging stations, rest rooms, locker rooms, and the time clock area.

TOTAL CUBIC FEET CAPACITY

For covered storage, the total cubic feet is computed by multiplying the net storage space (SQ FT) by the stacking height. The stacking height is the distance from floor to the unobstructed stacking height that is permitted by safety regulations. See figure 2-8 for an example of determining the cubic space capacity.

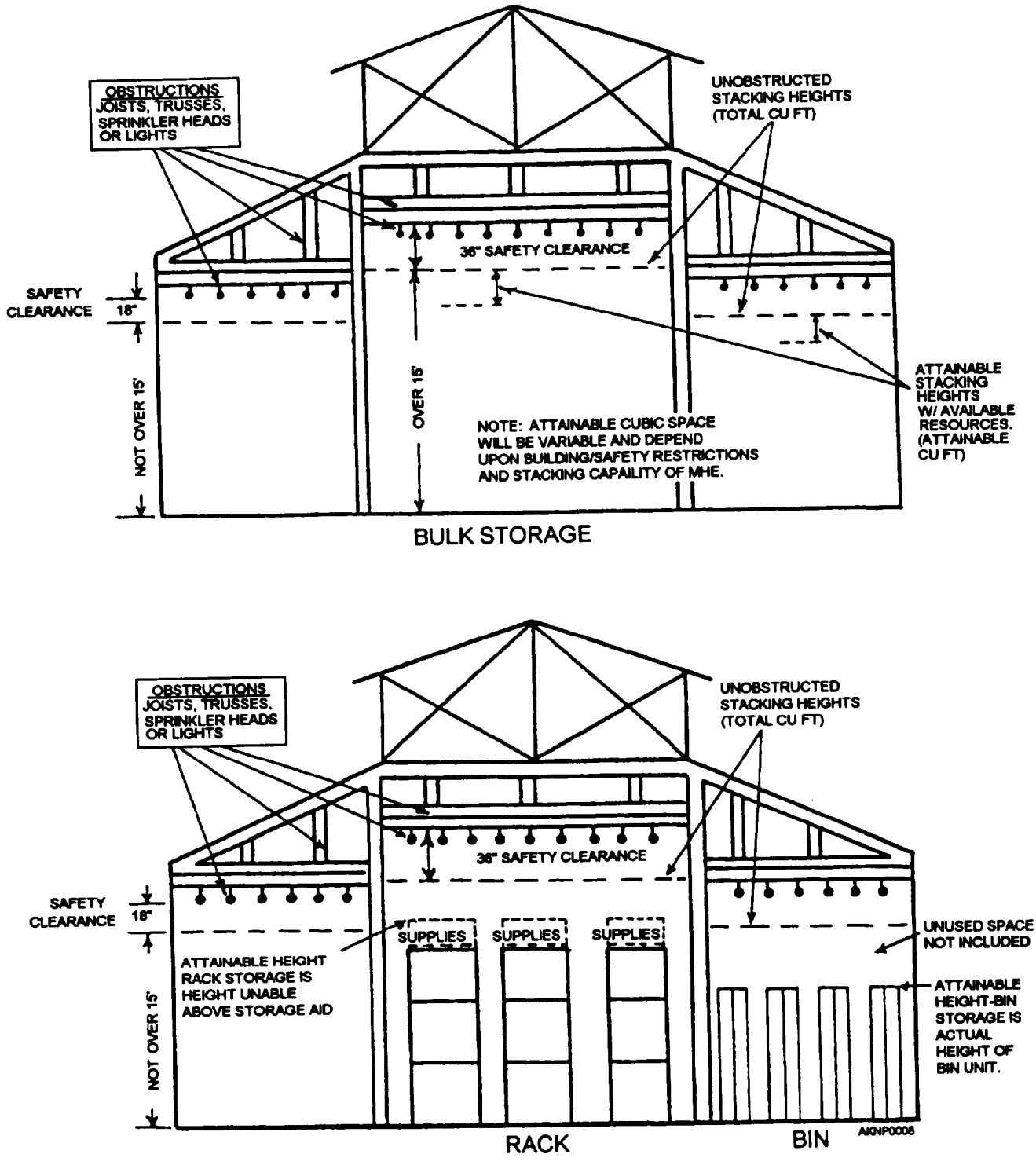


Figure 2-8.-Example of determining cubic space capicity.

For own improved storage, compute the total cubic capacity by multiplying the net storage space (SQ FT) by an average stacking height of 10 feet. Remember that stacking height may vary depending on the characteristics of the material.

For unimproved open storage, multiply the square feet occupied by the representative stacking height.

ATTAINABLE CUBIC FEET

The attainable cubic feet is the product of net storage space (SQ FT) multiplied by the stacking height permitted by safety regulations and floor load limitations with the use of MHE. Therefore, the attainable cubic feet represents the cubic space usable or available for storage with existing resources as shown in figure 2-8.

For determining the attainable cubic feet for improved open storage, use the same formula as cubic space capacity.

BIN CUBIC CAPACITY

The cubic capacity of the bin is computed by multiplying the length by the width by the height of its outside dimensions. The unused cubic space above the bin will not be included as attainable space.

RACK CUBIC CAPACITY

The cubic capacity of the rack is computed by multiplying the outside dimensions of the length by the width by the height. The cubic space above the rack is included to the extent permissible by safety regulations.

OCCUPIED SQUARE FEET

The occupied square feet is the area occupied by bins, racks, and materials in covered or open bulk areas. The bin and rack space is considered occupied whether or not material is stored therein. To determine the occupied area (SQ FT), multiply the length by the width.

OCCUPIED CUBIC FEET

Determine the occupied cubic feet by multiplying the net square feet by actual storage height(s).

Compute the bin and rack occupancy by determining the vacant cubic feet portion and subtract it from the attainable cubic feet.

OCCUPIED NET STORAGE SPACE

The simpler method of determining the occupied net storage space is by computing the total vacant space and subtracting it from the total net storage space. Computing the actual vacant space is easier than measuring the space actually occupied. To compute the vacant space, measure the floor area that is not actually occupied by material. Include the space occupied by empty pallets and dunnage as vacant space.

POTENTIAL VACANT SPACE

The two types of potential vacant space are type A and type B. Type A is short spaces or broken spaces in front of stacks that cannot be used for storing supplies other than identical sires, lots, and so forth. Type A vacant space is usually the result of honeycombing or poor warehousing. Type B is low stacking that is caused by failing to stack material to the full permissible height. The following factors are not considered as potential vacant space: low stacking caused by floor load limitations, the height of roof rafters and ceiling joists, and commodity characteristics.

STORAGE OPERATIONS

The basic storage operations involve receiving, storing, and shipping of materials. An effective supply system greatly depends on the smooth flow of material and paperwork from these operations.

RECEIVING

Quick and accurate processing of receipts directly contributes to an effective supply system. Receiving operations are directly influenced by several factors. These include the type of materials to be handled, distance to storage locations, type of MHE available, and characteristics of the storage facility. The principles of receiving is basically the same. The incoming material is received, processed, and distributed. Some incoming material requires special handling and control. These include materials that are classified as pilferable or sensitive (including small arms). Refer to *Afloat Supply* Procedures, NAVSUP P-485, *Supply Ashore,* NAVSUP Publication 1, Volume 2, and *Department of the Navy Information and Personnel Security Program Regulation*, OPNAVINST

5510.1, for the proper handling of these materials. Hazardous material handling and stowage procedures ashore are provided in NAVSUP Pub 573.

Planning the Receiving Operation

Receipt operation ashore is more extensive than afloat because of the large quantities and more variety of materials being received. Planning and Coordinating the tasks among the players responsible for different phases of operation will facilitate receipt processing. Using advance information before actually receiving the material can make sure that necessary steps are already taken to process them. For example, you can use the advance shipment notice of a classified item to ensure a qualified person is available to receive it. This will enhance quick processing of material receipts. Other documents that you can use for planning purposes are

- purchase orders,
- contract schedules,
- propositioned material receipt documents, and
- advanced shipping documents.

The documents mentioned can give you the arrival dates, category of material, and quantity of each item category. This information should be provided to personnel concerned with scheduling, storing, transportation, packing, preservation, shipping, and document processing. Storage personnel can use the information to determine the location for the incoming material. The dispatcher, on the other hand, can use the information to ensure qualified operators are available for the required MHE.

Planning and coordinating promote effective storage space utilization, efficient assignment of manpower and MHE, and recognition of items requiring special handling.

During deployment, ships receive most stores by underway replenishment (UNREP). While in port, the bulk of material is delivered at pierside from the supporting fleet and industrial supply center (FISC).

Senior AKs play an important role in an UNREP evolution. You must work closely with other senior petty officers and officers of the supply department. You will be involved in planning the replenishment procedures and in supervising the work in progress. Your experience and knowledge are essential in planning the UNREP evolution.

You should consider several factors in formulating local plans for efficient functions of the UNREP under local conditions. These factors include the cooperation of various departments, the stations to be manned, the amount of stores anticipated, the personnel and equipment required, and the special procedures and safety precautions normally employed during replenishment operations.

When all necessary factors are considered and all essential planning, teamwork, speed, and precision have been executed skillfully, the UNREP operation can then be termed successful.

It is important to remember that the ship is in a vulnerable condition during an UNREP evolution. Failure to take proper safety precautions because of incomplete planning or confused execution could result in a great loss of life and prevent the ship from performing its primary mission.

Unloading Operations

Unloading operations require planning and on-site supervision. Personnel performing this function must be familiar with the procedures for inspection and verification of material receipts. The mechanics of unloading supplies vary according to the type of carrier, type and weight of material, type of unloading facility, and required MHE.

Personnel safety is important when unloading supplies. Before unloading a sealed truck, check the condition and number of the seal. If the seal is broken or missing, annotate the discrepancy on the documentation. In case of sensitive cargo, notify the transportation office and security before unloading. Conduct a preliminary inspection when the truck door is opened. If there is evidence of damage or shortages, suspend the unloading operation, if practical, pending inspection by the carrier's representative.

Unloading supplies at a receiving dock platform requires abridge plate and dock leveler to permit entry of MHE to the truck. Unloading at ground level requires the use of a portable platform or ramp to allow entry of the forklift truck.

Materials that need to be transported to the storage area either directly from the carrier or receiving area should be palletized. Maximum palletization facilitates rapid and efficient unloading operations. Position containers on the pallet in a way that the markings are visible from the outer rows of the pallet load.

A forklift truck with 2,000- or 4,000-pound capacity and collapsed mast height of 83 inches or less can be used for unloading trucks or containers. Before using the forklift, ensure that the floor strength can support the forklift and load. Also ensure that jacks are in place to prevent the truck from upending.

Checking Incoming Material

Basic receiving actions include checking the number of containers and inspecting for apparent damage. Material should be tallied concurrently with the unloading operation. If the quantity received matches the shipping document, circle the quantity. Annotate a discrepancy on the receipt document by recording the actual count and circling the adjusted quantity. Refer to NAVSUP P-485 and NAVSUP Publication 1, Volume 2, for detailed procedures on receipt inspection and verification.

Receipt Documents

Maintaining control of receipt documents is one of the basic functions of receiving operations. Controls can be made by using receipt logs, suspense files, advance notice listings, and so forth. The flow of receipt documents may vary from other activities. However, receipt processing is not complete until the receipt is posted to the appropriate record and filed.

TRANSPORTING MATERIAL TO STORAGE

Before moving materials to storage, ensure they are properly identified and marked, At a minimum, material should be marked with the stock number, nomenclature, quantity, and unit of issue. These markings are required for material identification. Local procedures may require additional markings such as the receipt document number or location number. Aviation depot level repairable may require other markings such as the family group code or pool number. Properly marked material will ensure accurate accounting, issues, and easier inventory actions.

Moving material to storage is a continuation of receiving, unloading, and receipt processing. Move material by the quickest and moat economical means available. Material movement is affected by the type of material, required MHE, and the distance to the storage area. Some of the equipment that can be used to move the material are conveyors, tractor trailers, pallet jacks, or by hand carts. A forklift truck is generally used to transport material a short distance (less than 400 feet each way).

SHIPPING

This text describes the shipping procedures as they pertain to storage operations. These procedures are primarily involved with selecting the item, processing the issue, and moving the material to transportation for shipment. Refer to *Military Standard Transportation and Movement Procedures* (MILSTAMP), DOD 4500.32-R, for specific shipping instructions.

Planning the Shipment

The effectiveness of shipping procedures depends upon the accuracy of receipt records, proper storage, and proper marking. Planning the shipping operations should start when the material is received for storage. Proper storage operation procedures should simplify stock selection and expedite preparation for shipment. Upon receipt of issue documents or material release authorization, make plans to move the material. Before moving the material for shipment, you should consider the following factors:

- Quantity, weight, and cube of material to be shipped.
- Requirements for security, packing, shipment marking, destination, manpower, and MHE.
- Mode of transportation to be used.
- Date required for release to transportation for further shipment to consignee.

Documentation

In most cases, storage personnel will receive and use issue documents to select and move material in stock. Copies of this document accompanies the material for shipment. Shipments must be properly documented to prevent delay, misdirected shipment, or loss of material. Hazardous material transportation requires special manifests, which can only be prepared by personnel trained to prepare hazardous material for shipping.

Shipment Preparation

Material being shipped must be properly packed, documented, marked, inspected, and assembled in the designated area. In shore activities, materials for shipment are assembled in an area designated for

loading by carriers (transportation service). Afloat, an area may be designated to assemble material that will be off-loaded from the ship and subsequent transfer to the first or final destination. (See NAVSUP Publication 573 for documentation information of hazardous materials.)

INVENTORY

Maintaining accurate records of quantity, condition, and ownership of material greatly helps in achieving maximum economy in management and use of supplies. Verification of these records is accomplished through physical inventory. Basically, physical inventory is the actual count of an item in its storage site. In the supply system, physical inventory includes other functions as listed in the following text:

- verification of stock record balances,
- conducting investigations,
- analyzing inventory discrepancy,
- adjustment of stock records, and
- adjustment of financial records.

The inventory of items that are classified, sensitive, and pilferable is called *controlled item inventory*. Information concerning the physical inventory program in the Navy is described in NAVSUPINST 4440.115.

Planning the Inventory

When planning the inventory, consider the following factors:

- number of items involved,
- number of locations,
- manpower required,
- anticipated productivity,
- scheduling to obtain maximum efficiency and accuracy, and
- preparation of material in storage to facilitate counting.

You can use these factors to outline different steps needed to accomplish the inventory.

Assignment of Inventory Personnel

Each person participating in the inventory must be given a specific assignment. To facilitate teamwork, conduct necessary training for all personnel involved before performing the inventory.

Preparation of Material for Inventory

Proper storage practices can make performing an inventory easy. Before starting the inventory process, storage personnel must prepare the materials for inventory. Storage personnel must ensure that materials are

- properly identified and clearly marked,
- stored in a minimum number of locations,
- uniformly stored by quantity per container, package, or pallet,
- marked “DO NOT INVENT0RY” if excluded in inventory count.

SECURITY OF MATERIAL IN STORAGE

As a general procedure, material in storage must be kept under lock and key when practicable. The requirements for maintaining security of material are described in NAVSUP P-485 and NAVSUP Publicat.ion 1, Volume 2. Protecting material in storage and preventing internal pilferage are two of the functions of a storage operation. Preventing loss of material can save dollars and time.

If not properly secured, material losses in such proportions could jeopardize the mission of the command. Loss of critical supplies for tactical use could result in the unnecessary loss of life and danger to national defense.

Control Measures

Specific measures for preventing pilferage may vary in different activities. The most practical and effective method used for controlling pilferage is the establishment of physical security and psychological deterrents. These can be accomplished in a number of ways as described in the following:

- An aggressive security program is an effective means of convincing personnel that they have much more to lose than they do to gain by engaging in theft.
- The supervisor must set the proper example and maintain a desirable moral climate for all storage personnel.
- Let storage personnel know that it is their responsibility to report any loss to proper authority.
- Institute adequate inventory and control for accounting material in storage.
- Establish and monitor lock and key control procedures.
- Perform an investigation about suspected losses quickly and efficiently.
- Establish a material control system to include inspection of delivery and vendor vehicles.
- Establish accurate methods of taking physical inventories and accounting of material procurement, usage, and salvage,

Security of Items Requiring Special Handling

Classified items should be kept separate from other material. The most satisfactory method is to store these items in a separate building with a higher degree of physical protection. Where a separate building is not available, a room, cage, or crib may be constructed within a storage building. Spaces containing classified material must be secured by means of an approved locking system.

Pilferable and sensitive items should be stored in a secured area to prevent theft. The storage area could be a vault, cage, or fenced and locked security space. Normally these items will not be stored with classified material. However, when instances require these items to be stored with classified material, the storage area will be classified. In this case, the control applied to these items is equivalent to the highest security classification of any item in storage.

In some cases, pilferable items may require storage in general-purpose spaces. For example, items were received in large banded containers for which secure storage space is not available. In this case, storage in a general-purpose space is permitted. However, when containers are opened to make issues, the residual quantities should be transferred to the specified secured area.

MATERIAL HANDLING EQUIPMENT

Material handling is the process of moving material to, from, and through one production area to the other. The method used for moving material may vary but the basic principles are the same. The following information lists some of the guidelines in moving material.

- Keep handling of material to a minimum. Minimum handling saves money and manhours and reduces wear and tear of materials and equipment.
- Use standardized methods and equipment. Standardization of equipment results in the reduction of costs of operation, in maintenance, repair, storage, and simplified issue procedures.
- Select an MHE that can perform a multiple number of applications. Consider flexibility when selecting the type of equipment to be used.
- Minimize the use of specialized equipment. Material handling operations requiring special equipment are costly. The operating and maintenance cost of special equipment is higher than the cost for standard equipment.
- Minimize the length and number of moves of materials. Study the movement paths for possibilities of reducing “backtracking” and length of moves to facilitate better use of MHE and personnel.
- The rated capacity of an MHE must not be exceeded. Overloading causes excessive wear of equipment and creates additional accident potential.
- Greater payloads for each handling operation result in less handling cost per piece.
- The straight line flow of travel is the shortest distance between production areas.
- Preposition materials for MHE operations. This means placing the material in the area that will facilitate pickup and adhere to safety procedures. For conveyor operations, place materials in such

a manner as to reduce accidents and lessen equipment damage.

- When practicable, move material in a horizontal plane or with the aid of gravity. The ideal lifting point of material is at the waist level. The nearer to the waist the material can be picked up or disposed of, the greater the efficiency.

Material Handling Equipment Requirements

A balanced operation provides for the optimum number of people and MHE to complete a specified workload. Too many personnel and not enough MHE (or vice versa) can cause bottlenecks. To produce a smooth operation, you should know how to determine the MHE requirements for the job.

You should consider several factors when selecting the MHE requirements. If all supplies to be moved are palletized and squared off for stacking, you may need a forklift truck and operator. However, you might need personnel to manually handle some materials. Terrain, location arrangement, design of the building, and extent of the open storage area will also affect MHE requirements. Material characteristics will also affect selection of the required MHE. Some material may require the use of electric or battery-operated forklift trucks.

COMPUTING MHE REQUIREMENTS.– TIhe following factors should be used in computing MHE requirements.

- The volume or size of the operation to be performed (for example, the number of pallet loads to be moved to another area is 48 pallets).
- The number of units of the volume carried in each trip (for example, the number of pallets carried by the forklift truck in each trip is two pallets).
- The average time expended to accomplish a round trip (for example, one round trip takes 5 minutes to finish).
- The allotted time to finish the job (for example, the job should take 2 hours to finish).

The formula for determining the MHE requirement is as follows:

FORMULA: $\frac{V}{C} \times T + AT = R$

Explanation of symbols;

V — Volume or size of the operation to be performed

C — Units of volume carried per trip by MHE

T — Average expended time to complete around trip

AT — Allotted time to do the job

R — Equipment requirement

Using the data in the examples above, the computation will be as follows:

$\frac{48}{2}$ x 5 + 120 (rein)= 1 forklift truck

NOTE: We use the requirement for forklift trucks in the example assuming the distance of travel is less than 400 feet).

COMPUTING PALLET REQUIREMENTS.— The measurements of a standard pallet is 40 x 48 inches. Allowing for overhang (roughly 25 percent), the square feet occupied by each pallet is approximately 16(4 ft x 4 ft). If procedures permit stacking of four pallets high, four pallets are required for each 16 square feet of net usable storage space. The formula for determining pallet requirements is as follows:

FORMULA: $\frac{S \times H}{D} = R$ **(Pallet requirements)**

Explanation of symbols:

S— Net covered storage area, (in SQ FT) used for bulk storage.

H—Average stacking height expressed in pallet course (pallet loads).

D—Square feet of floor area occupied by pallet size with 25 percent added to compensate for load overhang and clearance.

R—Quantity of pallets required.

For an example, compute the pallet requirements for 59,500 feet of usable floor spare with stacking height of four pallets. The computation is as follows:

$\frac{59,500}{16} \times 4 = 14,875$ **pallets**

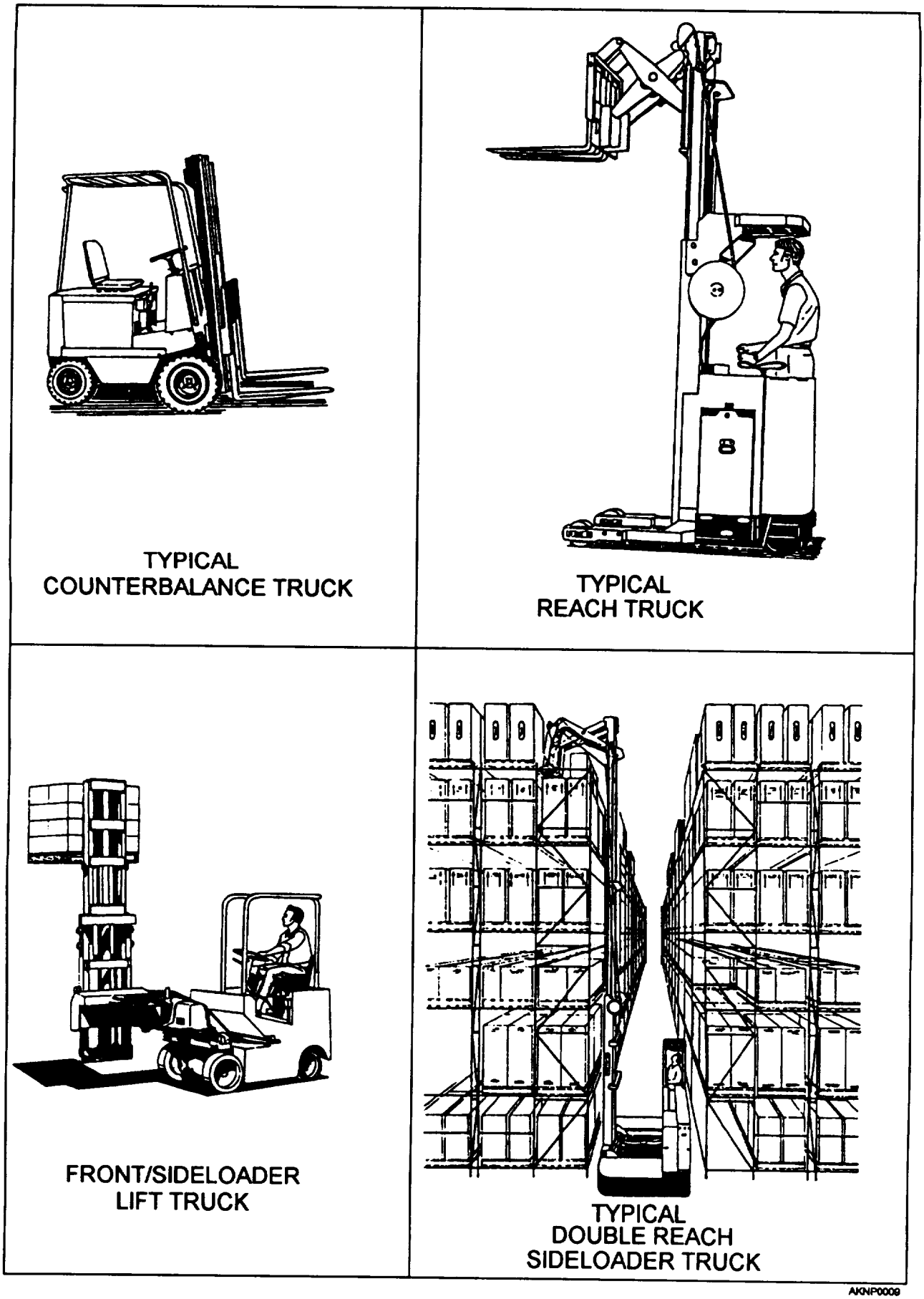


Figure 2-9.-Forklift trucks.

Forklift Trucks

Forklift trucks (fig. 2-9) are vehicles designed to pick up and carry unit loads of materials. The types of forklift trucks commonly used by the AKs are discussed in the following paragraphs.

COUNTERBALANCED TRUCKS.— TMS type of truck (fig. 2-9) carries the pallet load straight in front on permanently aligned forks. These trucks must turn at right angles to place the material in storage. They require wide aisles and substantial floor capacity. They are available in electric or internal combustion models.

NARROW-AISLE TRUCKS.— These trucks are in three categories; the straddle, reach, and side-loading truck (figure 2-9). In straddle trucks, the load is carried between the front outrigger wheels to minimize the need for counterbalancing. Straddle forklift trucks are also known as tiering trucks. The reach truck is a variation of straddle or tiering truck. It is commonly used in shore activities. It is more maneuverable than the standard forklift trucks and can generally operate in narrow aisles.

Side-loading trucks normally operate to one side of the aisle and place the load laterally. These trucks come in various designs. Some travel along the length of the aisles with permanently located masts, equipped with a reach device to move the forks out from the side. Some types have moving masts that add to the extension capability and permit double placement of the load. Other types have a rotating or swing mast that can reach out to the side. These types of trucks are also known as *front/side loaders.*

Dollies

A dolly is a small, low platform load carrier that is generally equipped with rollers, casters, or wheels. Dollies are hand propelled (do not have handles) and are used for low-volume moves over short distances.

Hand Trucks

The types of hand trucks are the two-wheel and four- or six- wheel platform.

TWO-WHEEL HAND TRUCKS.— Two-wheel hand trucks are designed for tilt and carry operation. They are generally used for moving small volume and lightweight items over variable paths and limited space.

HANDLIFT TRUCK, MK 45.— This is a special type of hand truck that is used for lifting and maneuvering long heavy containers. They are used in pairs with one truck positioned at each end of the container. The AKs may use this type of truck for moving some types of aircraft engine containers such as an F404 engine container. This truck consists of an aluminum body, a tow bar, and a lift mechanism It is equipped with two wheels and polyurethane tires. The lift mechanism includes a lift arm and a mounting pin for engaging the load. The lift mechanism is manually operated by a reversible ratchet wrench to raise or lower the lift arm assembly. (See figure 2-10 for an illustration of handlift truck, Mk 45.) When used on board ship, this equipment is usually under the inventory responsibility of the weapons department.

FOUR-WHEEL HAND TRUCKS.— The four-wheel hand trucks are rectangular load-carrying platforms fitted with a handle at one or both ends. Some types are equipped with two swivel casters located at the comers of the platform. Other models have two large wheels centered on the sides and two smaller wheels centered on the ends. The four-wheel hand trucks are used for moving low volume and light loads for short distances.

OPERATORS OF MATERIAL HANDLING EQUIPMENT (MHE)

This chapter provides only the basic information needed to supervise and guide the MHE operators. Consult your local and higher echelon directives and procedures concerning licensing and safety requirements. In this chapter, the MHE refers to a forklift truck.

To qualify as an MHE operator, each person is required-to meet some specific requirements. These include the vision, hearing, and reaction tests.

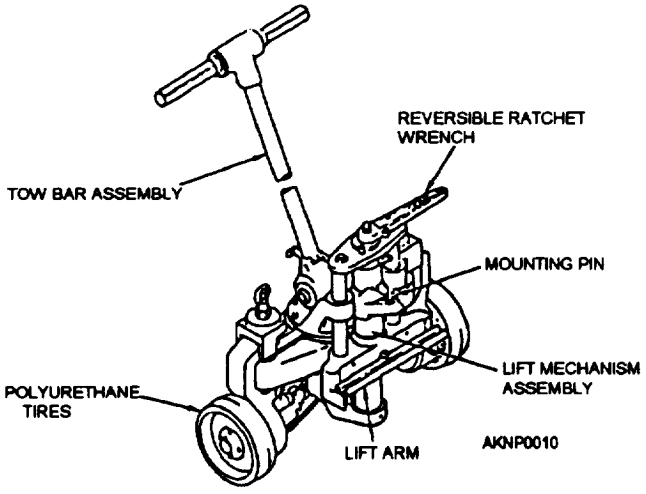


Figure 2-10.—Handlift truck, Mk 45.

Individuals in the Navy should have already passed these tests. Completing a training program for familiarization, safety, and operation is also required before receiving an operator's permit.

Forklift Safety

The following safety rules are applicable to forklift truck operations:

- Forklift truck operators must slow down at cross aisles and passageways.
- When entering or leaving a building, the operator must come to a complete stop at the entrance, sound the horn, and proceed only when the way is clear.
- Under all conditions, the forklift truck must be operated at a speed that will permit it to be brought to a stop in a safe manner.
- When traveling, the forks must be raised not more than 4 inches above the deck. When parked, the forks must be lowered to rest on the deck.
- Forklift trucks must not be used to bump or push the stacks to straighten them out.
- The maximum load capacity of the forklift truck must not be exceeded.
- Drive the forklift truck forward when transporting a load up ramps and backward when transporting a load down ramps. The mast of the forklift truck must be tilted backward when transporting a load.
- Use a safety pallet when lifting of personnel is authorized.
- Personnel are not allowed to ride on the forks.
- When parking, the operator must ensure parking brakes are set and the forklift truck will not move.
- The operators must not cut corners when traveling. This practice may result in upset loads, damaged goods, or injury to personnel.
- When using a bridge plate, it must be secured in position to prevent slipping, and strong enough to support the weight of the forklift truck and load.
- Operators must not attempt to repair forklift trucks. The supervisor must be notified to get a qualified person to repair the vehicle.
- Forklift trucks must be equipped with overhead guards, and operators must wear hard hats.

Fundamental Operational Instructions

The trainee should learn the different controls, preventive maintenance, warehousing procedures, stacking methods, and safety rules pertaining to forklift trucks. Before using the MHE, the trainee should be instructed to check the following:

- Fuel
- Water or coolant
- Oil level
- Tires (pressure and excessive wear)
- Fire extinguisher (if installed)
- Forks (to ensure they are secured)

After mounting the forklift truck, have the trainee check the following:

- Horn
- Brakes (both parking and foot)
- Position of gear shift lever (should be in neutral)

After successfully completing the fundamental operating instructions, the instructor should demonstrate the proper operation of the MHE. The instructor should show the trainee how to drive the MHE to go forward and backward. The trainee should be cautioned against driving with the foot resting on the clutch pedal. "Riding the clutch" results in loss of tension in the clutch springs, allowing the clutch to slip, thereby causing excessive wear. The instructor must explain to the trainee that the forks should be raised high enough for safe clearance, yet low enough to permit a clear view ahead when traveling with or without a load. If the load obstructs the operator's forward view, the operator should drive the MHE in reverse.

After completing the instructions above, the trainee may be allowed to practice driving. The trainee should drive the MHE forward and backward. Next, let the trainee drive in circles and figure eights using reduced speed.

After completing the basic maneuvers, the instructor may let the trainee drive through an obstacle

course (if required by the command). The next step of training is load handling. Instruct the trainee to approach a pallet, insert the forks into the pallet as far as they will go, lift, and move the pallet. The trainee should lift the pallet, tilt the mast back, and move forward or backward. In unloading, instruct the trainee to lower the pallet to the deck and tilt the mast to a vertical position so that the forks can be removed easily.

After successfully completing the required training, the trainee may be issued a permit to operate the MHE.

SUMMARY

The Aviation Storekeeper supervisor must be able to plan and coordinate to create efficient supply operations. This chapter will help you do this. The terms and definitions we discussed will help you in supervising the storage or warehouse. We also discussed the methods and procedures for planning the storage and office layout to provide a safe and smooth flow of operations.

The objectives in storing material is to conserve space, move rapidly, assure stability, and have a form of orderliness. We discussed the stacking height and arrangement of stacks to conserve storage space. We can assure speed in material movement by applying the storage techniques described in this chapter. We also discussed the different types and required number of MHE needed for moving materials by unit loads to save time and resources. We covered the stability of material in stems by using storage aids, such as pallets and racks, and the orderliness of material in storage that facilitates movement and inventory functions. We discussed the factors that help promote orderliness in the storage area; these include the stowage aids, required access, material identification, and the location system used.

We discussed the methods and terms used in computing the measurements of storage spaces and the required number of MHE and pallets. This information should help you in overall storage space management and control and preparation of required reports.

CHAPTER 3

MATERIAL RECEIPTS AND EXPENDITURES

The term receipt refers to material and services received for stock and direct turnover (DTO). The term *expenditure* refers to transactions involving either an issue, transfer, cash sale, or survey of material. This chapter contains information about procedures involving material receipts and expenditures.

The two most important management functions of any supply department organization are material receipt and expenditure. These functions are part of the daily routine operations in the supply environment. The prompt and accurate processing of material receipts and expenditures greatly contributes to effective supply operations.

A properly planned layout of the work area and a smooth flow of documents and material make an effective receiving operation.

Material issue is the most common method used for expending items of supply stock. In general, the issue transaction for a consumable item will result in an expenditure to an end-use fund. These funds are then used to requisition replacement items for stock. However, the procedures for expending aviation depot level repairable (AVDLR) items are different. When processing AVDLR, the expenditure will be processed only when the turn-in is beyond the repair capability of the supporting aviation maintenance activity. In this case, the retrograde is shipped off and the stock replenishment requisition is submitted to the supply source.

As a senior AK, you must know the procedures for processing receipts and expenditures because you will perform supervisory duties, either directly or indirectly, in all phases of these tasks. To properly perform these duties, both ashore and afloat, you should be familiar with your organization and its duties. You must also know the following information:

- receiving operations,
- types of receipt,
- methods of delivery,
- format of various forms used in receipts and expenditures,
- filing system,
- receipt preparation, inspection, and verification, and
- disposition of material and documents.

The procedures for processing receipts and expenditures vary depending upon the systems or labor-saving devices used. The availability of computer . systems such as the Shipboard Uniform Automated Data Processing System-Real Time (SUADPS-RT) saves processing time. The aviation community in the Navy uses the Naval Aviation Logistics Command Management Information System (NALCOMIS). The Naval Integrated Storage, Tracking, and Retrieval Systems (NISTARS) and Integrated Barcode System (IBS) are used for receipt processing. Although automated systems are being used, there are times when transactions must be processed manually. You must know the contingency procedures used for processing receipts and expenditures manually to continue operating and prevent backlog.

MATERIAL RECEIPT

Material receipt is the gaining of possession of an item of Navy property through acceptance of physical custody. Receiving activities must have full control of the material after receipt and before it is forwarded to its ultimate destination. It is estimated that losses that occur during this cycle range from 40 to 70 percent of total material losses in the supply system. The control procedures must include the following processes:

- Identification of quantity received
- Source and date of receipt
- The unit to which physical custody was transferred at the completion of the Receiving process and the date on which the received material was released

Material may be received from several transportation sources such as the U.S. Postal Service, commercial or government air freight, commercial trucking firms, the United Parcel Service (UPS), vendor deliveries, commercial or government water freight,

DOD-owned vehicles, or direct pickup from a vendor. This material may be designated for stock, DTO to a department or local supported activity, to a holding area for pickup by a Navy contractor, or to a packing and shipping unit when further consignment is required.

RECEIPT OF MATERIAL ASHORE

Material receipt functions normally are more extensive ashore than those afloat because of the variety and large quantities of receipts. In a supply department organization, the receiving branch or section is responsible for the receiving operations. The receiving branch includes a receipt processing section, are receiving operations section, and a returned material section. At large naval supply activities, these sections may be further broken down into units depending on the workload.

In a large supply organization such as a fleet and industrial supply center (FISC), the receiving function may be the responsibility of the receiving branch under the Defense Distribution Depot of the Defense Logistics Agency (DLA). The receiving branch under the DLA plans and directs operations necessary to physically receive and control incoming material for storage, DTO, or transshipment. Material that needs to be delivered to customers in the local area is transferred to the custody of the FISC for further distribution.

The supply department procedures discussed in this section have been designed to quickly move material for stock replenishment directly from the receiving area to the appropriate storage location without preliminary processing of receipt documents by the receipt control section. Receipts for material DTO to a work center or department may require preliminary processing of receipt documents by the receipt control section so that proper documentation may be obtained to effect disposition of the material.

Receipt Processing Section

The receipt processing section establishes and maintains the open order files for receipts from purchase and the requisition and order tiles for receipts from other supply officers and other government departments (referred to as redistribution sources); maintains contact and follow-up procedures to guarantee prompt receipt of material; processes procurement and receipt documents; and certifies dealers' invoices for payment. This section also prepares and distributes rejection notices, inspection reports, and invoices covering receipts of government material furnished to contractors. In addition, the receipt processing section provides information relative to unmatched vouchers and summarizes invoices from the financial accounting office.

Receiving Operations Section

The receiving operations section receives, verifies, inspects (when required) material received by the activity, except for returned material; segregates material by proper destination for ultimate movement to storage or for transshipment; maintains liaison and control over inbound cargo destined for the activity; and coordinates incoming and outgoing freight movements, including maintenance of necessary records. This section also maintains advance copies and completed government bill of lading files as well as carrier's freight bill files; performs necessary investigation of overages, shortages, damaged and rejected material; and initiates correspondence relating to these areas of responsibility.

Returned Material Section

The returned material section receives, verifies, and identifies all returned material; arranges inspection of material as necessary; and arranges for disposition of returned material to local Navy stock, to other activities as necessary, or to the Defense Reutilization and Marketing Office (DRMO).

Layout

Various factors at each supply activity ashore determine the actual layout for receiving operations. However, it is recommended that the sections of the receiving branch be located as near as possible to the initial point of receipt for the material. Receiving office spaces with appropriate files should be located within or adjacent to receiving terminals. Additional information on layout is contained in chapter 2 of this training manual (TRAMAN).

Receiving Branch Functions

The receiving branch receives and controls all incoming material for storage, DTO, or transshipment. The functions normally assigned to the receiving organization at a local supply activity include receipt and inspection of incoming material, segregation and delivery of incoming material, preparation of reports, preservation and packaging of material for storage or shipment, initiation of tracer action for incoming

material when required, and maintenance of files relating to all receiving functions.

The general flow of material receipts and documentation for incoming material from external sources must follow a closed loop receipt processing procedure. This means the material is transferred to the ultimate consignee, the documents are signed/dated, and the receipt transaction is recorded in the ledger or file. As stated previously, these procedures may vary from one activity to another depending on local policy.

NOTE: Activities using NISTARS processes receipts by using a computer scanner that reads the barcode on the receipt document and transmits the information to the main computer.

RECEIPT DOCUMENTS.– To effect proper distribution of documents and material under Military Standard Requisitioning and Issue Procedures (MILSTRIP), the receiving function should obtain the following documents, as applicable:

- Memorandum copies of Transportation Control and Movement Document (TCMD), government bill of lading (GBL), or other transportation documents should be received with the shipment (or received in advance of the shipment) depending upon the mode of shipment of the material.
- One copy of each applicable DD Form 1348-1 or DD Form 1348-1A, except on parcel post shipments. 'Ibis document keys the individual items to the total shipment and is normally attached to the GBL or TCMD. For truckload receipts, these documents (both the DD Form 1348-1, DD Form 1348-1A, and the GBL or TCMD) are normally received as a package.
- Three copies of the DD Form 1348-1 or DD Form 1348-1A should be attached to containers in waterproof envelopes. For parcel post receipts, these copies may be inside the shipping container, depending on the size and type of the shipping container.

ROUTING SIGNALS.— To provide for the proper internal routing and control of material receipts and to determine the ultimate distribution of the DD Form 1348-1 or DD Form 1348-1A copies by receipt control, receiving personnel may use rubber stamps for identifying receipt documents. These are the Storage, Preposting, Transshipment, and Direct Delivery stamps.

DETERMINATION OF DISPOSITION.— The method for determining internal distribution of incoming receipts, using standard receipt documentation, is to review the entry of items such as the unit identification code (UIC), serial number, project code, and supplementary address. These entries are used to determine if the material receipts are for stock or DTO. You can determine the disposition of material received by the following data:

- The paperwork of the material destined for stock will contain the UIC of the supply activity. The serial in the document number block is unique and used only for requesting stock replenishment.
- The receipt document for DTO will contain a document number assigned to that particular activity only. The receipt document of material for the shop/department under the same command as the receiving activity will contain the same UIC as the receiving activity.
- The receipt document for material for DTO to a supported squadron or activity will contain the UIC of the dependent activity. The activity's UIC is printed in the top line of the document under the caption Requisitioner and the UIC of the receiving supply activity is printed under the caption Supplementary Address.

Distribution of Receipt Documents and Material

The movement of stock receipts direct from the receiving area to the storage area depends upon the knowledge of the established storage positioning plan for the material concerned. Some activities position stocks by federal group and class, others by cognizance symbol and by federal group and/or class within the cognizance symbol.

CHECKING RECEIPTS.— Upon receipt of material, receiving personnel use the documents received with the material, or from the receipt control when such documents were received in advance of the carrier, to check and make disposition of the documents and material. The following actions are performed:

- Assign a receiving person to check the material.
- Verify the shipment as to number of containers actually received and compare with the total number specified on the transportation document.
- Initial and date the transportation document to certify receipt of material. When loss, damage, overage or other discrepancies exist, action should be taken according to procedures in the

NAVSUP Publication 1, Volume 2, chapter 3. Additional information on reporting discrepancies is covered in the *Report of Discrepancy (ROD)* Manual, NAVSUPINST 4440.179, and *Reporting of Transportation Discrepancies in Shipment*, NAVSUPINST 4610.33.

- Remove all three of the outside packing copies of the DD Form 1348-1 or DD Form 1348-1A attached to the containers except those intended for further delivery (DTO or transshipment).

. In block 7 of the DD Form 1348-1, enter the checker's initials and date when material was physically checked. Enter any exceptions in blocks BB or CC. On the DD Form 1348-1A, enter the information on the RECEIVED BY AND DATE block located in the middle part of the right-hand side.

l When a narcotic or controlled drug (item assigned pilferage code R or Special Material Content Code A) is received, a copy of the receiving invoice is furnished to the senior member of the local controlled medicinal inventory board.

DISPOSITION OF MATERIAL AND DOCUMENTS.— The disposition of material and documents for the various categories of receipts is as follows:

. Stock material. Stamp one copy of the DD Form 1348-1 or DD Form 1348-1A Storage and one copy Preposting. Attach the storage copy to the material involved and forward to the appropriate storage area. Forward the preposting copy, the extra copy removed from the container, the advance copy received with or related to the transportation document, and the copy of the transportation document, if available, to receipt control for further processing.

- DTO to a work center or department. Stamp Direct Delivery on all copies of the DD Form 1348-1 or DD Form 1348-1A (three copies removed from the material and one received with the related transportation document). Forward material to the work center or department identified in the supplementary address field of the receipt document, using one copy of the DD Form 1348-1 or DD Form 1348-1A as the delivery document. When a work center or department is not identified on the receipt document, request delivery instructions from receipt control.

- Deliveries to a dependent activity. When the name of the dependent activity is not shown on the DTO DD Form 1348-1 or DD Form 1348-1 A, obtain in-the-clear address from the transportation document, if available, or from the DOD Activity Address Directory, DOD 4000.25-D, and insert in block B of DD Form 1348-1. If the receipt document is DD Form 1348-1A, insert the activity's name in the ship to block located in the upper right-hand comer. Stamp Direct Delivery on all copies of the receipt documents. Forward the material with two copies of the receipt documents to the appropriate delivery or shipment section. Mark the copy of the transportation document, if available, to indicate disposition of the material and forward with the remaining copy (copies) of the DD Form 1348-1 or DD Form 1348-1A to receipt control for further processing.

Reporting Discrepancies

The categories of material receipt discrepancies may be caused by shipping, transportation, packaging, or material quality deficiency. Discrepancies such as overages, shortages, damages, incorrect, or nonreceipt of material are attributable to the shipping activity or transportation system.

SHIPPING AND PACKAGING DISCREPANCY.— Shipping discrepancies and packaging discrepancies that are attributable to the shipper are reported on a Report of Discrepancy (ROD), Standard Form 364. Refer to NAVSUPINST 4440.179 for detailed instructions and procedures concerning the ROD.

Purpose of Report of Discrepancy.— The ROD is used to support the adjustments of inventory and financial records. Shipping-type discrepancies are variations in the quantity or condition of goods as shown on the shipping document. These discrepancies include the following:

- Excess or insufficient quantity, because of an incorrect count
- Damage caused before shipment
- Incorrect item pulled from the warehouse and shipped
- Item is not identifiable because the proper paperwork is missing

The packaging discrepancies include the following:

- Improper packing
- Improper marking
- Improper unitization
- Improper preservation

NOTE: The ROD should not be submitted for discrepancies caused by the requisitioner. In this case, the material must be turned in under the Material Returns Program and the correct item reordered.

Reporting by Naval Message.— Use of a naval message to report shipping-type or packaging discrepancies is authorized on the following material requirements:

- Not mission capable supply (NMCS) related requisitions,
- Partial mission capable supply (PMCS) related requisitions, and
- Casualty Report (CASREP) related requisitions.

The subject line of the message must be "PRIORITY INCOMING ROD SF364." The message must include the following information:

- Requisition number
- Stock number
- Priority
- Clear statement of discrepancy and requested action
- Point of contact

If the activity submitting the ROD is unclear as to the correct actions to take to resolve the discrepancy, the shipper or the inventory control point (ICP) should be contacted for assistance.

Return of Discrepant Material.— The ROD action activity determines and directs return of discrepant material in the ROD response to the submitting activity. As a general rule, the ROD action activity will request the requesting activity to retain the discrepant material if the dollar value is less than $500. If discrepant material is required, the disposition instructions will normally direct the receiver to return the material to the issuing activity.

In some cases, return of discrepant material may be considered uneconomical (large items/long distances). In this situation, the receiver may request, on the initial ROD submission, to return material to the nearest stock point. If approved, the issuing activity will coordinate with the turn-in site to ensure credit processing to the customer account. The ROD reply will contain directions for the material turn in and points of contact involved.

ROD Action Activity.— Determine the action activity as described in the following texts.

- For shipment of Navy-owned material between Navy activities, the activity which shipped the material is considered the action activity and is responsible for researching and resolving the ROD.
- For shipments direct from a commercial contractor, the procuring contract office (PCO) is responsible for researching and resolving the ROD.
- For Defense Logistics Agency (DLA) owned material that is stocked at a Navy stock point, the action activity for the ROD resulting from a Material Release Order (document identifier [DI] A5_) is the applicable Defense Supply Center (DSC). Some of the DSCs are the Defense Industrial Supply Center (DISC), Defense Construction Supply Center (DCSC), and so forth. The DSC may request a Navy stock point to research an ROD; however, the DSC makes the final determination and respond to the ROD.

Non receipt of Material.— Before submitting the ROD, research local areas, files, and ledgers to find the material. As part of dues management, perform the functions in the following texts.

For material shipped by traceable means, process the transaction as follows. If a traceable shipment mode is recorded on the requisition file, shipping status (DI AS_, and the material has not been received within 45 days of this status for CONUS activities (90 days for OCONUS activities), perform the following actions:

- Review the transaction ledger, receipt documents, and exception listings. Conduct a search of frustrated material, receiving area, and any old locations. Finally conduct a spot inventory to see if material has been received.
- If the material has been received and receipt document has not been processed, process the document.

- If the shipping documentation shows that the shipment did not arrive, trace the shipment back through the transportation system or submit a Discrepancy in Shipment Report (DISREP) according to NAVSUPINST 4610.33.

For material shipped by nontraceable means, process the transactions as follows: If the shipment status reveals that the material was shipped by nontraceable mode and the material is not received within 45 days of this status for CONUS activities (90 days for OCONUS activities), perform the procedures described in the following text.

- Review the transaction ledger, receipt documents, and exception listings. Conduct a search of frustrated material.

- If material is received and the receipt document is not processed, process the document.

- If the material has not been received 60 days from the status date, submit an ROD. Process receipt with FIR Code M5 (shipper's loss). This will clear the due file for reordering and create an audit trail whereby accounting will offset future billing adjustments by the shipper. Send a copy of the ROD reply to the accounting office.

Requisitions with BA status (being processed for release or shipment) and the material has not been received within 60 days of this status for CONUS activities (120 days for OCONUS activities), submit an ROD first. Let the shipper conduct a research and tell you the mode of shipment if material has been shipped. Perform the following actions:

- If the ROD reply advises that material has been shipped, conduct research according to the mode described in previous paragraphs.

- If the ROD reply advises that a credit is being processed, process the receipt with FIR Code M5. Send a copy of the ROD reply to the accounting office.

Submission Time Frame.— Navy action activities will reject, with appropriate explanation, RODS not received within the 150 calendar days from shipment date (or BA date when no shipping status is received). This time limit applies to both shipments that have been received and to total nonreceipt of shipment. In cases where shipment is received very close to the 150 days time limit, the activity submitting the ROD will be allowed 15 days from the receipt date to submit the ROD.

Late Submission of the ROD.— A special extenuating clause may be used for late discrepancy reports involving concealed damage, shortages, overages, and wrong item discrepancies. In some cases, the receiving activity may be prohibited from opening and inspecting the material because of packaging or preservation considerations or manufacturer sealed container. When the package is opened for use and the discrepancy is discovered, the time limit for submitting the ROD may have passed. In this case, submit the ROD with the clause on the remarks block as in the example below.

"ROD is submitted late due to extenuating circumstances. At the time of receipt, the shipping document matched the container markings. The container shows no signs of tampering/damage. The container was not opened due to" (enter one of the following reasons):

- Packaging and preservation considerations
- Manufacturer sealed container
- Technical inspection of material was not performed at the time of receipt

The reporting activity must also provide information on the container such as the NSN, requisition number, contract number, or manufacturer.

Controlled items.— Notify the security officer for discrepancies involving controlled items. Conduct an investigative research for nonreceipt of controlled material before submitting the ROD. Perform other actions according to the mode of shipment used by the shipper as discussed in the previous paragraphs.

Mandatory Turn-In Repairables.— The Hubs at stock points are required to fully screen selected aviation material receipts and all nonaviation material receipts to determine if discrepancies exist. This function is primarily performed by Advanced Traceability and Control (ATAC) Hubs.

Non-ATAC Hubs report all shipping-type and packaging discrepancies on an ROD with a copy sent to the following activities:

- The cognizant ICP
- The turn-in activity
- The turn-in activity's type commander

The ATAC Hubs submit reports other than misidentification discrepancies using ROD and sends a copy to cognizant ICP, turn-in activity, and turn-in

activity's type commander. The ROD forwarded to the turn-in activity and type commander is for information only. The ICP will later contact the turn-inactivity with a notification of potential balling adjustment when the discrepancy involves turn in of a wrong item.

Misidentification discrepancies are recorded by the ATAC Hub via an automated program. The turn-in activities are provided with an automated listing of all discrepancies. This listing includes an indicator of a potential billing adjustment. Discrepancy summaries are also forwarded to type commanders and fleet commanders. The ICP receives only the information necessary to investigate discrepancies with potential billing adjustments.

File Requirements.— Retain closed ROD case files for a period of 1 year after receipt of reply from the action activity. Maintain a separate case file by fiscal year. Maintain an outstanding ROD file for monitoring purposes.

Control System.— Maintains a control system for monitoring RODS. This may be accomplished using either the manual or mechanized method. At a minimum, the record should include the following information:

- Report number assigned to the ROD
- Date of submission
- Action activity
- Requisition or contract number
- NSN and cognizance symbol
- Extended money value
- Discrepancy cited
- Action requested
- Date reply received
- Reply
- Follow-up date

Follow-up or Cancellation.— Navy action activities are required to reply within 45 days after receipt of ROD. Follow-ups should be numbered as first follow-up, second follow-up, and so on. The first follow-up should be submitted to the action activity 60 days after submission of the original ROD. Submit subsequent follow-ups at 30 day intervals.

Cancellation of ROD by the submitting activity requires a copy of the ROD, marked "CANCELED," to be forwarded to the action activity. The ROD copy must be annotated with clarifying data in the remarks block and signature and the date the person submitted the cancellation.

Distribution of Copies.— Distribute copies of shipping-type and packaging-type RODS as portrayed in Table 3-1 and Table 3-2. In all cases, one copy must be attached to the material and a copy in the file.

TRANSPORTATION DISCREPANCY.— Transportation discrepancies in shipments sent through the Defense Transportation System (DTS) and shipments within the continental United States (CONUS) moved by commercial carriers are reported on a Discrepancy in Shipment Report (DISREP), Standard Form 361. The types of discrepancies to be reported and detailed instructions for the preparation and distribution of DISREPs are outlined in nAVSUPINST 4610.33.

Receipt of Material for Stock

Material received for stock, other than material turned into store (MTIS), is delivered to the storage area by receiving personnel with a copy of the DD Form 1348-1 or DD Form 1348-1A, stamped Storage. The storage location information is obtained from locator files and is marked in block 10 of the receipt document. When the storage location actually used is different from the location indicated in the locator file, or when no location has been established, the receipt document must be marked with the words location change or new location.

Upon receipt of the material and storage copy of the receipt document, the storeroom custodian performs the necessary count, identification, and inspection for damage when not performed in the receiving area. When there are no exceptions, the material is stored in the indicated location or in (a) new location(s), as necessary. The storage copy is completed by inserting initials of the storeroom custodian and date of receipt in block 9 of the DD Form 1348-1. The completed receipt document is then forwarded to the financial inventory control section, or other action as required by established local procedures.

When exceptions in quantity, identification, or other conditions are discovered, the storeroom custodian marks the storage copy of the DD Form 1348-1 with correct information directly below the pertinent printed data on the receipt document. The

Table 3-1.-Distribution of Copies, Shipping-type RODs

TYPE OF MATERIAL SHIPMENT	NUMBER OF COPIES/ACTIVITY TO RECEIVE		
Navy-owned material between Navy activities.	Orig + 1 Shipper		
DLA-owned material from Navy stock points.	Orig + 1 DLA ICP	1 Copy Shipper	
Navy centrally procured (direct vendor shipments of Navy buys).	Orig + 1 PCO	1 Copy CAO	1 Copy ICP/IM
Other service/agency centrally procured (direct vendor shipments of other service or agency buys).	Orig + 1 PCO	2 Copies CAO	1 Copy ICP/IM
Local procurement.	Orig + 1 PCO	2 Copies CAO	
GSA-originated or GSA-directed shipments.	Orig + 2 GSA	1 Copy Shipper (If DOD Depot)	

NOTE: List of acronyms and definitions:

CAO - Contract Administration Office, if different from PCO. Attach copy of the contractor shipping document.

DLA ICP - The Defense Supply Center managing the material, i.e., S9I.

GSA - GSA Discrepancy Report Center
1500 East Bannister Road
Kansas City, MO 64131
(Attach a copy of GSA issue document)

ICP/IM - As indicated in record position 67-69 of DD Form 1348-1.

Orig+ - The original plus the number of copies to be forwarded.

PCO - Procuring Contract Office (Attach a copy of the contractor shipping document).

Shipper - The activity that issued the material.

Table 3-2.-Distribution of Copies; Packaging-type RODS

TYPE OF MATERIAL SHIPMENT	NUMBER OF COPIES/ACTIVITY TO RECEIVE			
Shipments of Navy-owned material between Navy activities.	Orig Shipper	1 Copy NPCP		1 Copy SITO
Shipments of Navy-owned material from Navy Stock Points.	Orig DLA PCP	1 Copy Shipper		1 Copy SITO
Shipments from other services.	Orig + 1 SPCP	1 Copy Shipper		1 Copy SITO
Navy centrally procured (Direct vendor deliveries of Navy buys).	Orig CAO	1 Copy NPCP		1 Copy Shipper
Other service/agency centrally procured (direct vendor delivery of other service or agency buys).	Orig SPCP	1 Copy CAO	1 Copy Shipper	1 Copy ICP/IM (Note 1)

NOTE: (1) When GSA is the item manager, send copy to GSA Discrepancy Report Center.

(2) In addition to the distribution of copies above, one copy is attached to the material and one copy retained for file.

Definition of terms where copy of RODs are sent to:

CAO – Contract Administration Office (attach a copy of the contractor shipping document).

DLA PCP – DLA Packaging Control Point (refer to Appendix F of NAVSUPINST 4440.179 for listing).

ICP/IM – The ICP/IM indicated in record position 67-69 of DD Form 1348-1.

NPCP – Navy Packaging Control Point (refer to Appendix F of NAVSUPINST 4440.179).

Orig + – Original copy only or plus a number of additional copy of ROD.

Shipper – Activity that issued the material.

SITO – Shipping Installation Transportation Officer (If personal property shipment).

SPCP – Service Packaging Control Point (refer to Appendix F of NAVSUPINST 4440.179 for listing).

quantity is lined out, but not obliterated, and the quantity actually received is marked directly below the lined-out quantity. The word *Discrepancy* is stamped or written on the document. Depending upon the circumstances of the exception, the material is placed either in stock or in a temporary holding area pending disposition. The marked document is then forwarded to the financial inventory control/clerical function section for exception processing.

Material Turned in to Store

Navy material returned nom the customer to stock points has traditionally been called material turned into store (MTIS). Stock points carry material in stores accounts such as Navy Stock Account (NSA) or appropriation purchase account (APA).

MTIS is used primarily to take ready for issue (RFI) turn in from customer activities and return them to stock to meet anticipated requirements. When a retail stock point does not carry the MTIS in stock, a formal inquiry procedure to declare the material excess to the wholesale item manager via the DOD material returns program (MRP) is initiated according to instructions as outlined in NAVSUP P-437, chapter 2.

MTIS is placed in local stock when the item is within the authorized retention limit of the activity.

MTIS SCREENING AND IDENTIFICATION.— A material screening and identification section should be available at all shore activities for MTIS. MTIS is held in this section during the screening and identification process. During the screening process, material received with proper documentation and packed in a professionally packaged container is inspected using the same procedures as a routine receipt from other sources.

Effective MTIS operation requires the use of technical reference material for identification process and decision making in determining when to place the item(s) in stock (with or without credit), when to send an excess inquiry to the item manager, or when to determine that the item has no use to the Navy and qualifies for transfer to the DRMO. The following resource documents should be available for personnel performing the MTIS screening to use in this decision-making process: Management List-Consolidated (ML-C); Master Cross Reference List (MCRL); Master Repairable Item List (MRIL); Navy Item Control Number (NICN) to National Item Identification Number (NIIN); and the demand history record (either microfiche or printout) when available.

Upon receipt of MTIS, receiving personnel should verify quantity and check in the material as follows:

- Release a receipted copy of the turn-in document to the representative of the activity turning in the material (when such representative is available and has provided one additional copy of the DD Form 1348-1 for this purpose).
- Attach a minimum of three copies, and any additional available copies of the DD Form 1348-1, to the material and forward to the area designated for screening and identification, if required.

SCREENING DETERMINATION.— MTIS is identified and classified under one of the following categories as described in the following information:

For material identified by federal supply class or federal supply group in an RFI condition and for which the instructions provide that the material will be taken up in stock, the annotation Ready for Issue (RFI) is made on the receipt document.

For mandatory turn-in repairable (MTR) material that is not in an RFI (NRFI) condition, the MRIL should be used to identify the appropriate MTR processing activity where the material will be shipped. However, activities supported by a Hub must ship NRFI retrograde via the ATAC Hub.

Material not required for stock, regardless of its condition upon receipt, is subject to an inquiry from the wholesale manager for disposition and held pending reply.

For material determined to be scrap, the annotation Excess-Dispose of Scrap is applied to the receipt document. The decision to send any material to the DRMO should be considered very seriously for other than valid scrap. Any items in doubt should be referred to the inventory control officer for final determination.

When proper classification of the material has been determined, a minimum of three copies of the DD Form 1348-1 for each classification of material should be marked with one of the descriptions discussed above. A copy of the DD Form 1348-1 must be attached to the

item inside the container and must remain with the item until it is through processing.

DISPOSITION OF MTIS.— After screening and identification processes have determined that the material is in any one of the four categories listed above, the material and documents are distributed as described in the following paragraphs.

Material for transfer to DRMO fall into one of three categories. They are items that need inventory manager disposal authority, items that do not need disposal authority, or scrap and waste. Material determined to be in the category for transfer to DRMO is forwarded to the disposal or shipping section for further action or delivered directly to DRMO. The document used for transferring material to DRMO must contain a Disposal Authority Code. Disposal authority code M is assigned for transfers authorized by the item manager. Code N is assigned for material that is not reportable by virtue of an exclusion to the MRP of NAVSUP P-437 or other specific criteria such as extended dollar value or condition limitations on excess reporting and are duly authorized to be transferred to DRMO. Code N is assigned for material that has been reported to inventory manager/inventory control point according to the Material Returns Program described in NAVSUP P-437 and are excess to authorized retention levels. Code N is used when disposal/action complies with Service/Agency Instructions. The items transferred to DRMO must be accompanied by a minimum of three copies of DD Form 1348-1. Personnel accepting the material should receipt for the items and forward one copy of the signed receipt document to the transferring activity or the bearer. When DRMO acknowledges receipt of material, the shipping activity should prepare and submit a shipping status (DI AS3), with distribution code 9 in record position 54, to the Defense Reutilization and Marketing Service (DRMS). Refer to Appendix B of NAVSUP P-437 for the format in preparing document identifier AS3.

Material for stock storage. Material determined to be in the category for storage is forwarded to the appropriate storage location with a minimum of two copies of the DD Form 1348-1.

PROCESSING REPAIRABLE MATERIAL.— Each shore activity supporting fleet units or dependent activities should establish a specific location for turning in repairable MTIS items.

The shore activity should furnish additional packaging when the need is indicated on the DD Form 1348-1, or when the condition of the containers shows an obvious lack of protection and additional packaging is required. When additional packaging is not requited, material turned in for transshipment should be forwarded directly to the transportation section for processing.

MTR items take precedence over all other MTIS, provided they are properly identified, Critical items turned in on a priority 03 (transportation priority 1), and may be identified as RED STRIPE, must be processed immediately upon receipt. Items of short supply turned-in on priority 06, and maybe identified as BLUE STRIPE, must be processed immediately as resources permit. If transshipment is required, premium transportation, including air shipment, is authorized for RED STRIPE and BLUE STRIPE material. process material shipments according to *Military* Standard *Transportation and Movement Procedures,* DOD 4500.32-R.

Screening by consignee activity to verify accuracy of identification or consignment of documented turn-ins should be performed selectively as required according to NAVSUPINST 4419.2. Screening to verify adequacy of packaging should be limited to a visual inspection to determine if the DD Form 1348-1 indicates a need for additional packaging (block GG marked Packaging Required) or if the condition of the material or container indicates an obvious need for additional packaging. MTR material received without documentation or with inadequate documentation should be forwarded to the screening section for further processing. Discrepancies noted should be reported according to NAVSUPINST 4440.179 or NAVSUPINST 4610.33.

MATERIAL RECEIPT AFLOAT

The material receipt process afloat involves the identification, storage, issue, and recording of all material previously requisitioned or purchased and received by the activity. As an integral part of the supply receipt process, all material received must be properly identified, stored (if the material is for stock), issued (if the material is for DTO), and recorded in the stock records through SUADPS-RTin a timely fashion.

The receiving process is apart of the supply support operation cycle. Receipt processing interfaces with other supply functions such as procurement, expenditure, and inventory management. The

relationship of receipt processing to other functions is illustrated in figure 3-1.

Responsibilities

Responsibilities for specific individuals and work centers within the supply department for material receipt processing are discussed in the following paragraphs.

SUPPLY OFFICER.— The supply officer is directly responsible for the entire receiving process. This includes, but is not limited to, the following physical receipt of material, material identification, material inspection, material distribution, material storage, and SUADPS-RT processing of all receipt papers and associated documents.

The supply officer delegates the responsibility for physical receipt of incoming stores, except for ship's store stock and food items, to the readiness/stores officer.

READINESS/STORES OFFICER.— The readiness/stores officer is responsible for all matters pertaining to receiving supply materials. This includes, but is not limited to, the following: material receipt preparation, receipt procedures, material inspection, storeroom maintenance/integrity, underway replenishment (UNREP), transit shed/butler hut operations, and SUADPS-RT processing.

STOCK CONTROL OFFICER.— The stock control 0ffkicer reports to the supply officer, or to the readiness/stores officer on an aircraft carrier, on all matters pertaining to receiving. This includes, but is not limited to, the following: receipt reversals, receipt reporting, financial inventory report (FIR) code imbalance, and receipt discrepancies.

MATERIAL OFFICER.— When assigned, the material officer is in charge of the material division on board aircraft carriers. The material officer reports to the readiness/stores officer for all matters pertaining to receiving materials. The responsibilities of the material officer include, but are not limited to, the disposition of material receipts and stowage of stock items.

LEADING MATERIAL STOREKEEPER.— The leading material Storekeeper (sometimes referred

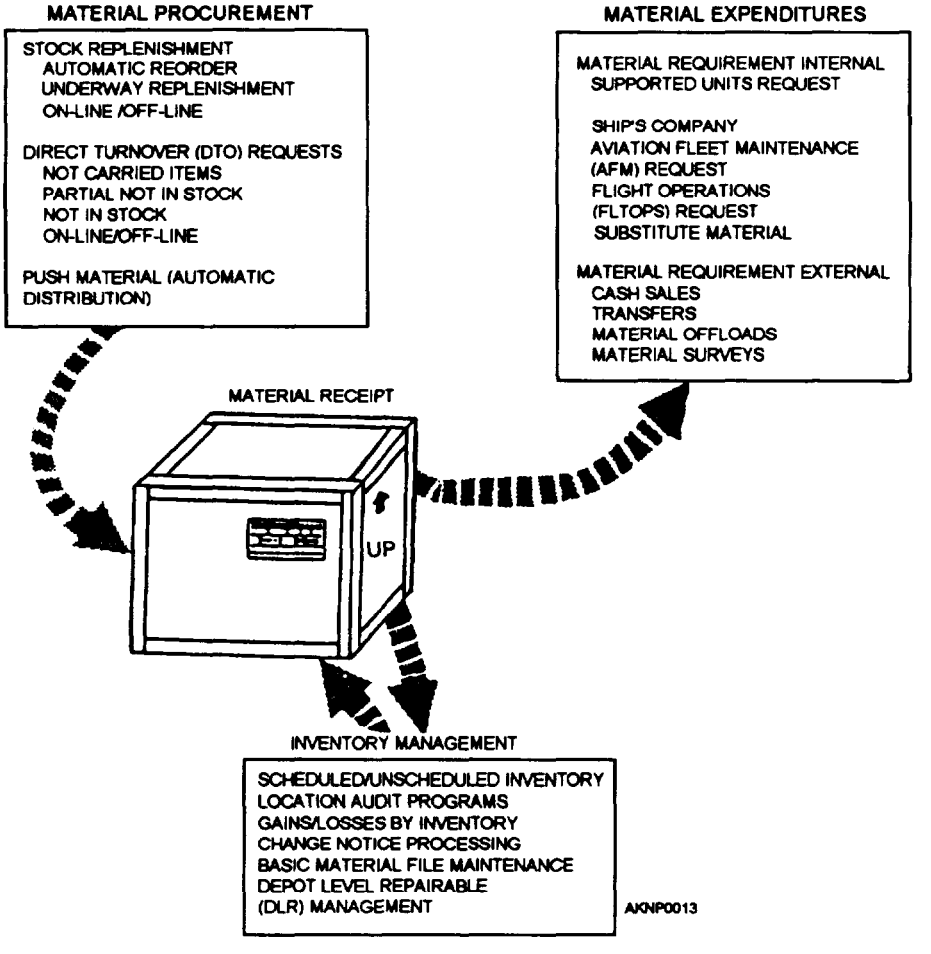


Figure 3-1.-Receipt process interface.

to as leading storeroom Storekeeper) is responsible for making sure that incoming material is properly receipted, identified, inspected, segregated between stock and DTO, and distributed to the appropriate supply department storerooms or presented to other departments when the material is marked for DTO. In addition, the leading material Storekeeper makes certain that all receipt documentation is properly marked and distributed to the appropriate work center for further processing.

When the leading material Storekeeper is absent during normal working hours, the next senior material Storekeeper assumes the duties. In the performance of his or her duties, the leading material Storekeeper who has been delegated the responsibility for receiving incoming stores exercises direction over other Storekeepers and working parties assigned to assist in the receipt of incoming stores.

DUTY STOREKEEPER.— The duty Storekeeper is responsible for making sure that all material delivered to the activity after normal working hours, on weekends, or on holidays is receipted, identified, inspected, and placed in the designated receiving section or turned over to the requesting department (if DTO). When sufficient personnel in the duty section are available, stock material may be properly placed in the appropriate storeroom. The duty Storekeeper also makes sure that receipt documents are properly marked and passed to the leading material Storekeeper on the following workday.

Receipt Procedures

Receipt procedures for afloat activities, especially aircraft carriers, normally are the same from ship to ship. All ships are replenished while in port and receive stores at sea by highline or aircraft. Receiving stores at sea is refined to as underway replenishment (UNREP) and vertical replenishment (VERTREP). Procedures for replenishment and receiving stems during these operations are covered in detail by individual instructions issued by each ship. For additional information concerning specific files and receiving procedures, refer to *Automated SNAP I Supply Procedures, Volume 1, Logistics and Inventory Management,* NAVSUP P-567, and *Afloat Supply Procedures,* NAVSUP P-485.

In-port Replenishment

Replenishment of stores while in port requires advanced planning, coordination, and scheduling with the shipping activity. This planning should ensure that stores are received during normal working hours and well in advance of anticipated ship movements. The senior AK frequently becomes involved in the scheduling, coordination, and planning for receipts while in port. Arrangements should be made for working party assistance, if needed, transportation with the material department of the supporting supply activity, and materials-handling equipment from the supporting station. The various planning factors affecting in-port replenishment (INREP) are shown in figure 3-2.

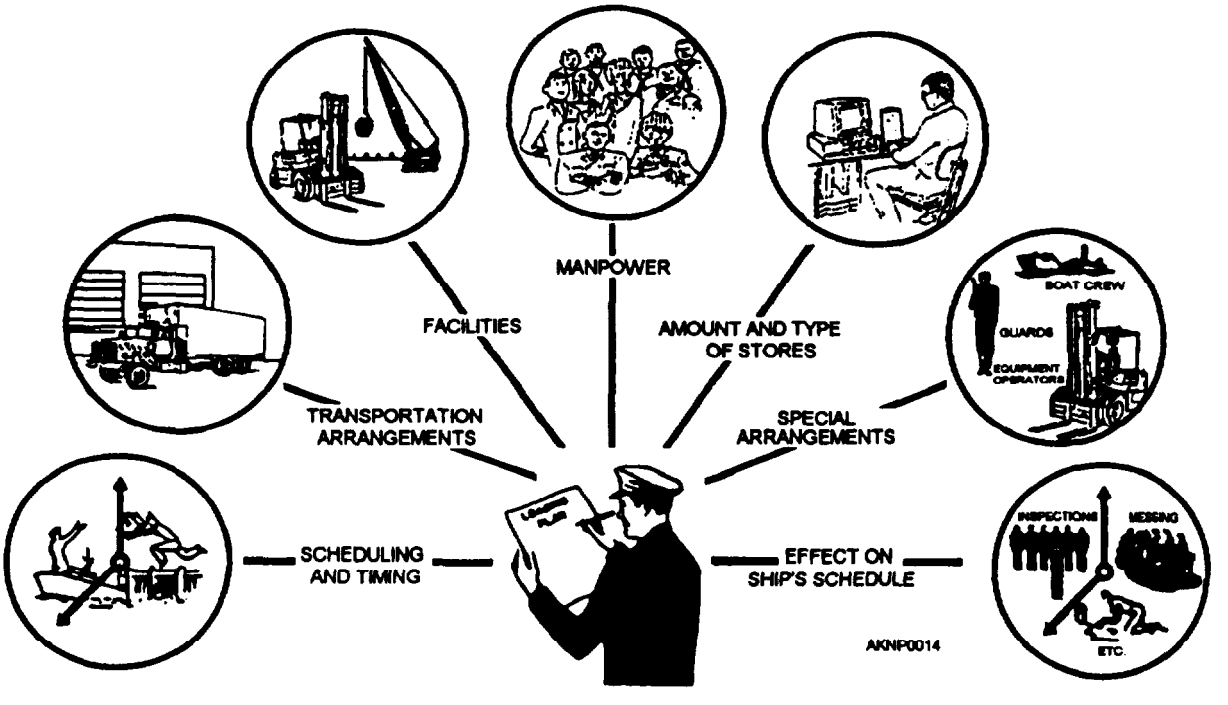


Figure 3-2.-Factors in planning in-port replenishment.

When a unit is deployed overseas, most supply support is normally received from the combat logistics force (CLF) and local purchasing offices. The receiving process will be basically the same as in U.S. ports except when at anchor; then additional arrangements must be made with the ship's departments for boat requirements and use of shipboard crane equipment. Local harbor operations and shore-based facilities are sources for additional information and equipment support, if required.

Underway Replenishment

UNREP is the art and science of supplying ships at sea with fuel and stores. The primary value of an UNREP is realized during wartime since it permits a combat ship to remain at sea for an indefinite period of time. The peacetime advantages provide valuable training of personnel in the complex procedures of supplying several vessels simultaneously while they are proceeding at reasonable speed. In general, UNREP serves a dual purpose; it provides ships with materials needed to perform their mission and provides training for personnel on issuing and receiving ships in the procedures essential for transferring material at sea.

Senior AKs play an important role in UNREP. They must work closely with other senior petty officers and officers of the supply department in planning the replenishment procedures and in supervising the work in progress. It is principally with regard to planning that the background and knowledge of the experienced AK is essential.

This section highlights the attention of the senior AK on the essential elements in planning and executing replenishment on board a typical aircraft carrier when receiving supplies at sea. No effort is made here to provide a complete outline or list all the numerous steps in detail form since the procedures of receiving stores under way are not standardized to the point that an acceptable blueprint can be furnished. Therefore, emphasis is placed on the factors that must be considered in formulating local plans for efficient functions under local conditions. These factors include the coordination of various departments, the stations to be manned, the amount of stores anticipated, the personnel and equipment required, and the special procedures and safety precautions normally employed during replenishment operations.

When all necessary factors are considered and all essential planning, teamwork, speed, and precision have been executed skillfully, the UNREP operation can then be termed successful. On the other hand, when the operation goes sour because of inadequate planning or from other causes, the situation then becomes a nightmare of confusion in a matter of minutes, and the disorder that results may require many hours of hard work to correct.

It is important to remember that the ship is in a vulnerable condition during UNREP and failure to take proper safety precautions because of incomplete planning or confused execution could result in great loss of life and prevent the ship from performing its primary mission.

PREPARATION FOR UNREP.— Delivery of material during UNREP/INREP is basically a five-step process as follows:

- Requisitions are submitted to a CLF unit by message, mail, or tape.
- The CLF unit stages the requested material according to its delivery plan.
- Material is transferred to the requesting ship by highline or connected replenishment (CONREP), helicopter (VERTREP), or in-port replenishment (INREP).
- Material is delivered to a drop point and distributed to various receiving points, usually a storeroom or central DTO processing area.
- Material is then placed in storage (if for stock) or turned over to the ordering department (if for DTO).

The pace of replenishment at sea prohibits accurate verification of receipts at the drop points. Material should be removed from the drop point before the physical receiving process begins. The following procedures are recommended to provide a smooth flow of material during UNREPs:

- Assistance will be requiredmquhed from personnel outside the supply department. The UNREP should be carried out under the supervision of experienced personnel. Personnel should be assigned to specific tasks and supervisors should make sure that assigned tasks are understood and that personnel assigned to operate materials-handling equipment are qualified.
- A plan should be developed to distribute material from each drop point. Full advantage should be taken of available materials-handling equipment (forklifts) as well as the ship's design and installed materials-handling capabilities.

. Responsible senior enlisted personnel are positioned to observe the flow of material and watch for possible material loss. The most experienced personnel should be placed at possible bottlenecks and in areas normally associated with the receipt of sensitive items such as pilferable, hazardous, and classified material.

- Personnel should not be allowed to begin receipt processing under any conditions that encourage carelessness. When necessary, material receipt can be processed upon completion of the replenishment and after stores are located in secure spaces.

TYPES OF STORES ANTICIPATED.— The number of receiving stations that must be manned depends largely on the amount and types of stores anticipated. Normally 2 or 3 days before the scheduled replenishment, the transferring ship notifies the receiving ship as to the nature and amount of stores to be transferred. The figures given are, in most cases, rough estimates that can be used for planning purposes. A safe rule of thumb is to plan for a one-third excess over the tonnage expected, and planners should assume that at least some of every category of material will be received. A replenishment plan must be flexible to make sure that its use is not destroyed by sudden, unexpected changes in quantities and type of stores received. Personnel must be available to handle all types of material at one time.

It is especially important to know the quantity and type of dangerous and semisafe material to be received. Adequate flammable storage space must be available to accommodate such material. Special procedures should be established so that this type of material can be taken directly from the receiving station to the paint or flammable storerooms and not be allowed to accumulate on deck.

Each type of stores received is handled in a different manner and should be directed to different storage locations. Plans for the replenishment must include the consideration of peculiar characteristics of all types of incoming stores. Some of the most important aspects of handling each category of material are discussed in the following paragraphs.

Aviation Stores.— Aviation material received during UNREP normally involves several different small items packed together in large boxes at the shipping point. Shipping containers obviously containing only one item need not be opened, but are directed to the proper staging area or storeroom at once. Items shipped as multipacks should be opened, checked, sorted, and forwarded to storerooms (or special receiving areas) as soon as possible. Normally, it is not advisable to move multipacks into storerooms simply to save time in clearing the deck. The AK in charge of flight clothing should be on hand during the sorting to take charge of his or her material.

Sorting and checking of aviation stores should be performed where manual handling can be minimized, and where the necessarily slower activity does not interfere with the rest of the replenishment operations. Debris from breaking open boxes should be cleared at once and disposed of according to local instructions.

General Stores.— General stores received during UNREP include bulky materials such as rags, toilet paper, brooms, swabs, and paint. Many of these items are difficult to handle with mechanical equipment. Sorting and checking of this type of material should be done under the supervision of a senior Storekeeper.

Dry Provisions.— Dry provisions represent a large portion of any replenishment. This category of material is the easiest to handle and sort. Most of these items are shipped in sturdy fiberboard cartons that are designed to move on conveyors easily and stack neatly on pallets. They are normally light enough to be handled by one person. Checking and sorting of this type material is required in all cases by senior Mess Management Specialists. Particular care must be exercised in handling items in bags such as flour and sugar.

Fresh Provisions.—Fresh provisions are somewhat difficult to handle and to move to the reefers. This is particularly true on ships where reefers are located in areas where access is difficult. The process of moving fresh provisions below decks can become bogged down and create a bottleneck.

Qualified personnel from the medical department should be on hand to inspect fresh produce and survey fruits and vegetables that did not pass inspection. Mess Management Specialists should be stationed in such places as necessary to detect spoiled produce and save manhours used in handling the commodities.

Frozen Provisions.— The most important requirement when moving frozen provisions is speed. Frozen products must be moved into the freezer immediately upon receipt. When the ship is operating in hot climates, the steel decks become very hot and frozen items thaw rapidly (partially or completely) and make them unsafe for consumption. Checking and sorting of this type receipt should be done by Mess Management Specialists.

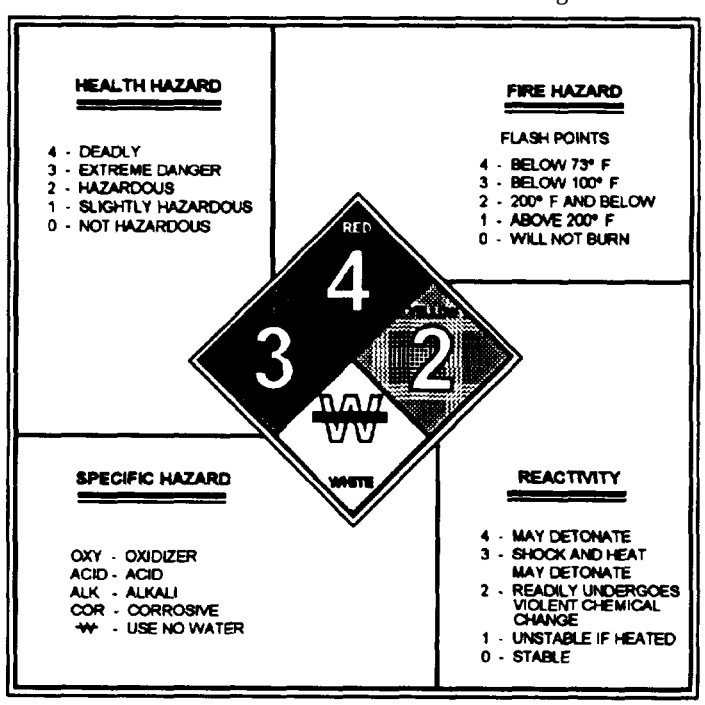
Working party personnel assigned to handle frozen food items should be advised in advance to have gloves available when it is necessary to handle frozen items manually. A reasonably clean pair of canvas work gloves are best suited for this purpose.

Accountable Stores.— Receipt of large amounts of ship's store *stock is also* routine during UNREP. This includes clothing items, personal hygiene products, electronic equipment, and other pilferable items. The S-3 division should be represented by responsible persons at each loading station and supervised by senior Ship's Servicemen to take charge of such accountable material as soon as it is received.

When this type of item is received, each person in the supply department should assist in preventing theft. When the receipt involves a large quantity, responsible petty officers from other supply divisions may be used as escorts for working party personnel carrying the material to storerooms, or for watching the conveyor tracks or chutes. Every foot of the entire route used for moving accountable stores must be in full view of a responsible petty officer at all times.

Hazardous Material.— Hazardous material is defined as any material that requires careful attention to guarantee adequate safety to life and property because of its potentially dangerous nature. The receipt of hazardous materials during UNREP can be expected. Proper handling and stowage of this category of material is mandatory.

Federal regulations require hazardous materials be identified by symbols on labels attached to their containers to designate the degree of health, fire, reactivity, and specific hazards to the receiver. Each type of hazard (except specific), has a number from 0 to 4 that represents the degree of hazard. For example, health hazard 4 identifies deadly. In addition, the symbols for each type of hazard are identified by different colors as follows: blue indicates health hazard; red indicates fire hazard; yellow indicates reactivity hazard; and white indicates specific hazard. Figure 3-3 illustrates hazardous material symbols on labels denoting the degree of hazards. The relation of these symbols to the type of storage requirement is described in figure 3-4.



BLUE: IF NUMBER 1, 2, 3, OR 4 APPEARS, DO NOT STORE WITH ITEMS MARKED COR, ACID, OR ALK OR WITH FOOD, CLOTHING, OR TOBACCO.

RED: IF NUMBER 2, 3, OR 4 APPEARS, STOW IN FLAMMABLE STORAGE AREA; IF NUMBER 1 APPEARS, STOW IN SPRINKLER PROTECTED AREA.

YELLOW: IF NUMBER 1, 2, 3, OR 4 APPEARS, HANDLE WITH CARE AND STOW IN COOL PLACE.

WHITE: IF COR, ACID, OR ALK APPEARS, STOW IN ACID LOCKER OR CORROSIVE STORAGE; DO NOT STOW WITH ITEMS HAVING HEALTH HAZARD. IF OXY APPEARS, DO NOT STORE WITH ITEMS HAVING FIRE HAZARD. IF W APPEARS, DO NOT STOW IN SPRINKLER PROTECTED AREA NOR USE WATER IN FIGHTING FIRE. AKNP0015

Figure 3-3.-Hazardous material symbols.

Type of hazard	Degree of hazard	Description of hazard	Type of storage area required							Cannot be stored with or near						
			General storage	Secured storage	Flammable storage	Acid storage	Non-sprinkler storage	Special storage/handling	Special facility handling	Acid	ALK	Cor	OXY	Flammables ***	Health hazards	Water
Health	0	Normal material	x													
	1	Slightly hazardous	x							x	x	x				
	2	Hazardous	x							x	x	x				
	3	Extreme danger		x						x	x	x				
	4	Deadly		x						x	x	x				
Fire	0	Will not burn	x													
	1	* Above 200°F	x										x			
	2	* Below 200°F			x								x			
	3	* Below 100°F			x								x			
	4	* Below 73°F			x								x			
Reactivity	0	Stable	x													
	1	Unstable if heated	x													
	2	Violent chemical change						x								
	3	Shock/heat may detonate						x								
	4	May detonate							x							
Specific hazard	OXY	Oxidizer **								x	x	x		x		
	ACID	Acid				x									x	
	ALK	Alkali				x									x	
	COR	Corrosive				x									x	
	-W-	Use no water					x									x

* Flash point.

** This material must be stored in fire protected storage but away from flammables.

*** Fire hazards 1, 2, 3, or 4.

Figure 3-4.—Storage requirements for hazardous material.

Some hazardous materials become especially dangerous when stored near certain items. For example, calcium hypochlorite and bleaching powder decompose and emit oxygen when exposed to heat or moisture. The oxygen emitted by these substances would accelerate the combustion of any flammable accidentally ignited nearby. The excess oxygen could also contribute to spontaneous combustion of flammable material stored in the vicinity of oxygen emitters. For these reasons, any item that tends to decompose and emit oxygen should be handled the same as flammable material. Chlorinated compounds, including cleaning compounds, must be isolated from acids, other oxidizing agents, moisture, flammable material, or exposure to heat.

Compressed Gases.— Compressed gases are classified as either flammable or nonflammable and must be handled properly. Oxygen and chlorine are nonflammable gases but react violently when mixed with hydrogen and acetylene.

Special safety precautions to be followed when handling compressed gas cylinders are as follows:

. Protective caps must be kept on cylinders that are not being used. Unprotected valves are easily damaged or broken off and could cause undetected leakage. Undetected leakage of hydrogen, nitrogen, carbon dioxide, chlorine, or ammonia could result in suffocation.

- Cylinders must be secured by using *collars or notched spacers* during shipment.

- Cylinders must not be tested by opening a valve to check if they are filled with gas. They must be weighed or checked with a pressure gauge to determine if they are full. Empty cylinders must be tagged with an "EMPTY" label to prevent confusion or mixing with full cylinders.

DEPARTMENTAL RESPONSIBILITIES.— Replenishment at sea is considered an all-hands evolution. With the exception of a major ammunition movement, UNREPs involve more personnel directly and physically than any other operation. Material is removed from the staging area of the issuing ship, loaded onto cargo nets, and sent to the receiving ship at rates in excess of 100 tons per hour. This material must be removed from the receiving area as fast as it arrives and moved to staging areas or to storerooms at approximate] y the same rate. Close coordination of all hands must be followed to move the material efficiently.

The executive officer (XO) is responsible for overall control and coordination of the UNREP. Before the scheduled UNREP, the XO convenes a meeting of all department heads and assigns individual responsibilities. The detailed planning and the day-to-day coordination with other departments are normally assigned to the supply officer. The XO is kept informed of programs in the planning of the UNREP and takes an active part only when difficulties arise that cannot be handled at the lower level. During the replenishment, the XO remains on the bridge and the supply officer is in charge of the movement of stores when received on board.

Although departments other than supply are actively concerned with the replenishment, the weapons and air departments have the greatest responsibility. The operations department irresponsible for mail being transferred and for transfer of personnel when required. The engineering department is responsible for manning the elevator pump rooms, granting permission to open hatches as required, and making sure that sound-powered telephones are available and in working condition. The aircraft intermediate maintenance department (AIMD) is responsible for maintaining forklifts and other materials-handling equipment.

Weapons Department.— The weapons department is responsible for physically loading the material on board the receiving ship (except during VERTREPs), enforcing all safety precautions at replenishment stations, and making sure that all nets, slings, pallets, and other handling material belonging to the delivering ship are returned. Only weapons department personnel are authorized to operate weapons department elevators when used to strike incoming stores below decks. The weapons department representative is primarily concerned with the expected tonnage and the rate at which the stores come aboard.

Air Department.— The air department is responsible for providing direction to the helicopter in spotting each net load received during VERTREPs. The air department must be informed of the amount of clear deck space required and the elevators that must be manned during the replenishment.

REPLENISHMENT PROCEDURES.— Replenishment procedures cover several areas that require the knowledge and attention of a senior AK These areas include the different stations used during replenishment, the personnel required, the equipment to be used, and the actual procedures employed for the receiving, strike, and transfer of accountability.

A replenishment station is any location where some significant action is taken on the stores being received. The replenishment stations may be divided into three general groups—receiving, sorting, and striking. Stations within a group cover the same function, regardless of location.

The locations of replenishment stations on a typical aircraft carrier are shown in figure 3-5. Receiving stations 1 and 2 are on elevators 1 and 2 respectively, with the elevators at hangar deck level. The third receiving station, normally used during VERTREP operations, is on or in the vicinity of the No. 4 elevator.

Sorting stations are close to the receiving stations where net loads may be towed by tractor or delivered on roller conveyors. At this point, stores are sorted and palletized on the basis of strike area (station). Major strike areas, as shown in figure 3-5, view A, are located where mechanical equipment is readily available. However, strike areas may be located anywhere close to the ultimate storage area of significant amounts of materials.

The RECEIVING STATIONS are the areas where the material is received on board. Most receiving stations are located on the hangar deck. Ship designs vary, even within a class, with consequent variations in number and locations of receiving stations. For example, some ships have receiving stations on elevators 1 and 2 for highline replenishment and a receiving station on elevator 4 for vertical replenishment (VERTREP). Elevators 1, 2, and 3 remain lowered at the hangar deck level while elevator 4 is at the flight deck level until a sufficient amount of material is ready to be lowered to the hangar deck level for receiving.

Material is under the control of the weapons department (air department in the case of VERTREPs) until the nets are detached from the transfer rig at the receiving station. When the rig is detached, the accountability of the material then belongs to the supply department and must be removed from the receiving station as quickly as possible. The time interval available is the time required for the hook to travel to

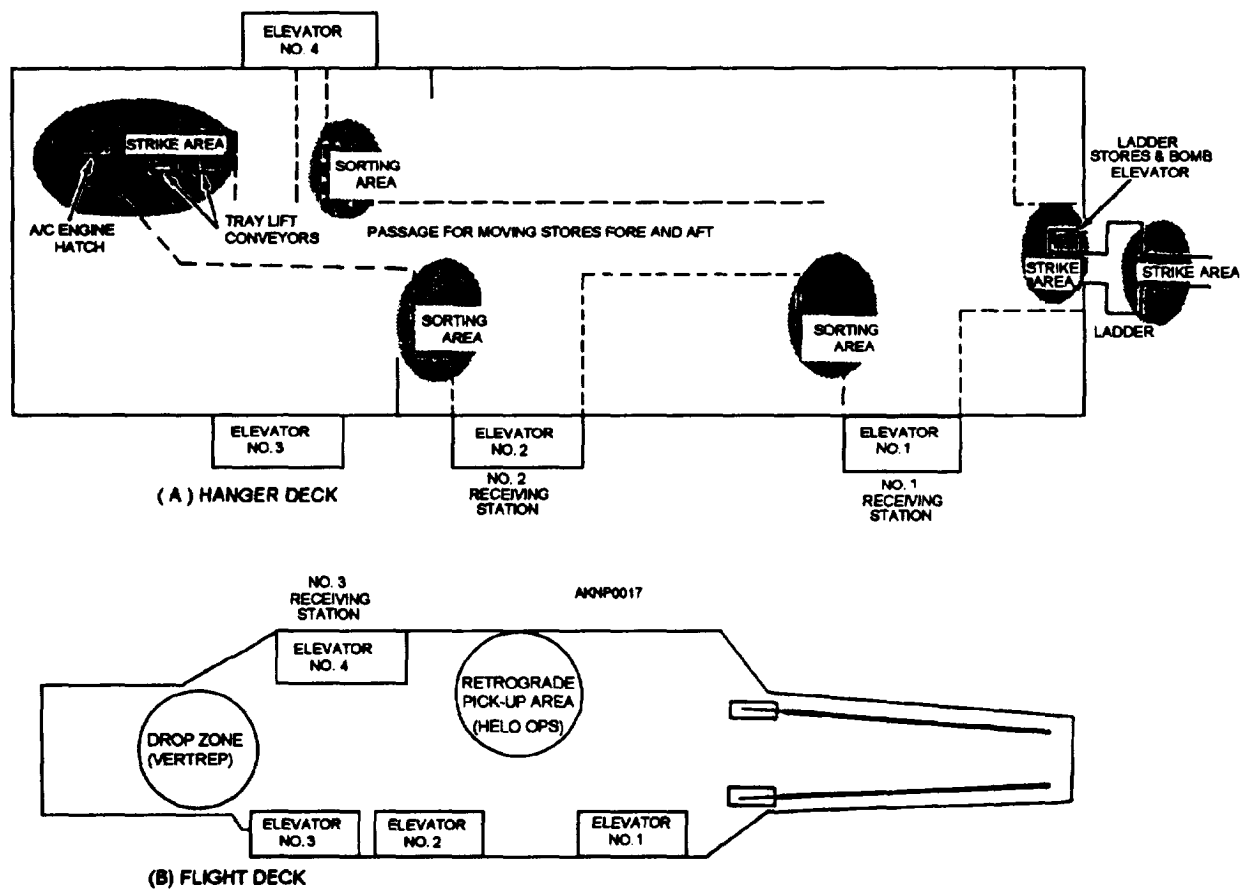


Figure 3-5.-Carrier replenishment stations (UNREP/VERTREP): (A) Hangar deck; (B) Flight deck.

the transferring ship, pick up the next loaded net, and return. Material received by helicopter during VERTREP must be moved into the elevator quickly, keeping the drop zone clear. When the elevator is full or maximum weight load is attained, it is lowered to the hangar deck, cleared of stores, and promptly raised to the flight deck for the next load.

The SORTING STATIONS are located where the material is separated by type and storage destination. These stations maybe located at any point, depending on local conditions. 'he main consideration in assigning locations for sorting stations is that they are located outside of the main passage for moving material from one station to another.

Some ships are designed so that storerooms for provisions are accessible from the messdeck. On these ships, provisions may be moved to the messdeck area before sorting. When the storerooms are located in other parts of the ship, sorting must be done on the hangar deck.

The STRIKE STATIONS are located at the access hatches where the material is moved below decks. Included in this group are the ammunition elevators, hatches where pallets are lowered by electric hoists, and hatches where material is passed down by hand or by sliding on a board, metal chutes, or belts.

This group is critically important. Access hatches must remain open until the stores are struck below. A ship is always in danger when it is unable to seal off all compartments within a few minutes.

PERSONNEL REQUIREMENTS.— The number of personnel required for an UNREP depends on the number of stations to be used, the type and amount of stores to be received, and the equipment available that serves to reduce manual labor.

Normally, the ship has local instructions that list the number of personnel and the type of equipment required at each station. This instruction should be reviewed by all senior supervisors before each UNREP. When it appears the instruction is inadequate or incorrect, the planning group should not hesitate to recommend changes based on careful analysis of each provision of the instruction.

A replenishment plan, published before each UNREP operation, should assign units to each station and list the deck and frame numbers where the personnel should report.

Petty Officers.— Petty officers from other departments furnishing personnel for working parties are the backbone of any good replenishment. These petty officers are assigned as supervisors and orders should be issued through them for their assigned personnel. Supervisory petty officers should be assigned at a ratio of 1 for each 10 people in the working party. These 10 people are under the petty officer's control as a team at all times and the petty officer is responsible for seeing that they remain on station until dismissed.

Working Party.— The number of personnel required for working parties depends on the number of stations that will be used and should be considered separately, taking into account the type of stores to be handled at that station and the equipment to be used. Heavy and hard to handle materials that must be moved rapid] y will require frequent relief of personnel to rest. Personnel relief should also be provided for any team or teams that are to be on station for an unusually long time. Proper rotation of personnel to accomplish this task will facilitate its completion and prevent accidents.

When material is to be removed from the receiving stations by towing the loaded cargo nets to the sorting stations, one team should be assigned to each receiving station to pick up items that spill from the nets. However, most of the cargo being received are palletized, which makes handling easier.

BRIEFING TEAM LEADERS.— Shortly before the UNREP, the supply officer (or a designated officer in charge) usually calls for a meeting with all petty officers assigned as team leaders. During this meeting, the supply officer (or designated officer) briefs the petty officers on what is expected from each team, the materials they will handle, and approximately how long they are to be on station. Safety is also discussed in detail during the meeting. Team leaders are also made aware of expected receipts of hazardous material and what part their unit will be expected to participate in. Any peculiarities of the equipment involved are explained to the team leaders. They are informed of where and when to pickup and return all equipment that will be required for the UNREP.

DEBRIEFING TEAM LEADERS.— After the UNREP is completed, all supervisors and team leaders should meet to debrief the supply officer of any problems encountered during the operation. Recommendations should be submitted for corrections of procedures that did not go well during the UNREP so they will not be repeated in future operations. Any outstanding accomplishments and jobs well done should also be noted at this debriefing.

Receipt Processing

The Integrated Barcode System (IBS) is widely used for receipt processing on board aircraft carriers. The IBS is made up of hardware that includes personal computers, label printers, and scanners. The IBS Coordinator is assigned to manage the whole system while the Site Coordinators manage the IBS operations in each site or location. The IBS is an integral part in performing the Receipt in Process (RIP) procedures. When material is received on board, receiving personnel use the scanner to read the barcoded information on the receipt document. The information in the scanner is uploaded to a personal computer or copied to a diskette. This procedure allows recording of all material that was received on board and is awaiting processing of a matching stow or consignee copy. The only exception to using IBS for DTO receipts include materials for the following projects:

- Not Mission Capable Supply/Partial Mission Capable Supply (NMCS/PMCS)
- BROAD ARROW
- Awaiting Parts (AWP)
- Casualty Report (CASREP)

The S-6 division processes the NMCS/PMCS, BROAD ARROW, and AWP receipts through the NALCOMIS module. The receipt transactions are processed into NALCOMIS through conversation codes N613 and N615. After processing in NALCOMIS, these transactions must be randomly verifie~d to ensure they are posted to SUADPS ledgers or files. Receipt transactions for CASREPs are processed manually into SUADPS-RT by the S-1 CASREP coordinator.

Receipt File

All original copies of receipts for consumable items are maintained by the S-1 division. The S-6 division maintains files for all aviation depot level repairable (AVDLR) receipt documents. There are two separate receipt files. One file for stock and another for DTO receipts. The documents in the completed file are arranged in Julian date/serial number sequence.

Document Flow Control

The control procedures for moving material from the point of receipt to the storeroom or consignee may vary from ship to ship. However, each activity must have a control procedure in place to account for incoming materials. Some materials require strict control or signature control. These materials include, but are not limited to, AVDLR, hazardous, controlled equipage, classified items, NMCS/PMCS/AWP, CASREPS, and registered mail. A quality assurance (QA) check ensures proper receipt processing and stowage procedures are performed.

MATERIAL EXPENDITURE

The expenditure of material is the act of removing a specific quantity of an item from the activity's stock records. The material is expended from the records when requested by an end-user or another activity, or disposed of as directed by higher authority. Expenditure is also used to keep the stock quantity in balance when stock material is lost or is no longer usable. In most cases, material is considered as no longer usable when its shelf life has expired or the material is damaged beyond repair. This section covers the various types of expenditures and procedures used to update the activity's records. The activity's records may be updated manually or through the computer system.

The AKs use the NALCOMIS to process material expenditures. The NALCOMIS is connected to a host computer (Electronic Interface) that records all transactions in the master file. The host computers include the following:

- Uniform Automated Data Processing System-Stock Point (UADPS-SP)
- UADPS-Level II
- Shipboard Uniform Automated Data Processing System-Real Time (SUADPS-RT)

The UADPS-SP and UADPS-Level II are used ashore. The SUADPS-RT is used aboard large ships.

TYPES OF EXPENDITURES

Material in stock is expended by issue, transfer, cash sale, loss by inventory, and survey transactions.

An issue is the physical act of turning over material to an end work center or supported unit as the result of a customer requisition. Activities using NALCOMIS submit a requisition by using the format in conversation code N601 or N602. This requisition will create a DD Form 1348-1 issue document for the available material. Upon receipt of proof of delivery (POD) copy in supply, the issue transaction is

completed by processing it through conversation code N615. Under SUADPS-RT, the material is requested through the material requirement internal (MRI) function.

A material transfer is the movement of an item from the custody and records of an activity to another activity or another stores account within the activity. Another activity includes a nonsupported ship, other supply officer, or shore activity. Material "cross deck" to another ship is a transfer. Transfers to another stores account within the activity include material movement from stock to ship's store. Transfers are recorded through the material requirement external (MRE) function of SUADPS-RT and classified into the following groups:

- Transfers to end-use operating forces (DI X34)
- Transfers to end-use ashore (DI X38)
- Transfers to Defense Business Operations Fund (DBOF) activities (DI X37)
- Off-load of excess material (DI X37)

Cash sales are processed by using document identifier (DI) X35. Material expended as a cash sale may be made to the following activities: U.S. Air Force and Army activities (includes sales of aviation fuels); Military Sealift Command commissioned ships (APA and 1 Q cognizance material only); merchant vessels and nonmilitary aircraft; other U.S. government agencies; foreign armed forces, vessels, and aircraft; and U.S. Coast Guard activities.

A survey is the expenditure of material when it is lost, damaged, or unserviceable for some other reason such as not ready for issue (NRFI) and not economical y repairable. Survey transactions are processed by using DI X43.

EXPENDITURE RECORD LOG AND INVOICE FILE

An expenditure record log is used to control expenditure document number assignments and to provide a record of all expenditures except issues to the activity's work centers and supported units. The log should contain an entry for each transfer, cash sale, and survey processed by the activity. Batch entries maybe made for transfers generated by automated off-load processing. As a minimum, the expenditure record log should contain the following information:

- The expenditure document number includes the UIC, Julian date, and serial number. Do not duplicate the document number except for replenishment of aviation depot level repairable depot level repairable (AVDLR/DLR).
- The expending department's name or title.
- The activity where material is transferred to or the disposition of material.
- Material identification such as the stock number, part number, and nomenclature of the item.
- Remarks column for additional information concerning the transaction.

The expenditure invoice file contains the original of each transfer, cash sale, or survey document processed by the activity. This file is maintained in Julian-date and serial-number sequence and retained for a period of 3 years.

MATERIAL ISSUES

The authority for the supply department to issue material is a customer request submitted on-line via the NALCOMIS, SUADPS-RT, or off-line (manually) by submission of a DD Form 1348 (6-pt), or by any other locally acceptable form.

Requests for material from customers received on locally approved forms (off-line submission) contain the following minimum information:

- NSN/NICN/local item control number (LICN) or part number
- Unit of issue
- Quantity
- Document number
- Chargeable end-use fund code
- Project/priority code
- Advice code, if applicable
- Maintenance data system (MDS) data, if applicable
- COG (not carried items only)
- Nomenclature (not carried items only)

Material requests received off-line are entered manually in NALCOMIS by using the material contingency procedures. The requests may also be

entered directly in SUADPS-RT, or processed completely off-line if necessary. Issues processed off-line must be recorded in SUADPS-RT using the post-post option.

Issue Processing (On-Line)

On-line processing of material requests consists of the real-time requisition processing, manual storeroom/warehouse processing, customer delivery/pick-up, and warehouse processing (SUADPS-RT).

Real-Time Processing

Material requests entered via the NALCOMIS or SUADPS-RT either by the customer or the supply department are automatically validated. The information on the requisition is checked against the validation tables or files to make certain that only valid data has entered the system. Validation errors will cause an error message to be displayed, and the condition must be corrected before the processing can continue. After successfully completing the validation process, the computer automatically checks if material or acceptable substitutes is available. If the requested material or substitute is available, the computer produces the picking ticket or issue document (DD Form 1348- 1). A record for each picking ticket is established in the issue pending file. Material determined to be not carried (NC) or not in stock (NIS) is procured under on-line DTO procurement processing.

Storeroom/Warehouse Processing

Storeroom or warehouse personnel use the computer-generated issue document or picking ticket to find the material. After locating, the material is physically moved to a designated issue staging area. When material cannot be located in any of the locations indicated on the issue document (up to four locations may be indicated), additional locations maybe obtained from the material location file. Stores/material personnel process the issue document as follows:

- All locations indicated on the issue document (DD Form 1348-1) are searched for sufficient quantity to fill the requirement. If material cannot be located, the surrounding locations should also be searched.
- Material available to fill the requirement is moved from the storage location to a central staging area for turnover to the requesting work center or supported activity.
- The individual staging the material puts his/her initials, the date, and the staging area location on the issue document.
- Attach one copy of the issue document to the material.
- The material is delivered to the customer contact point or picked up by the customer from the staging area.

For detailed procedures in processing complete or partial issue, total NIS or warehouse refusal, refer to your activity's operating manual.

Customer Delivery

When the material is picked up by or delivered to the customer, the customer signs and enters the current date on the issue document (delivery copy). The signed copy is forwarded to the processing point for the particular storage area.

Processing Proof of Delivery

When the processing point receives the delivery copy, the issue transaction is processed into the NALCOMIS or SUADPS-RT. When the original requirement is NIS (completely or partially) and the balance is still required, screen the substitute file. If substitute item is available, notify the customer and offer the item for issue. When substitute item is not available and remaining quantity is still required, process a DTO requisition. After processing the DTO requisition, mark the original issue document with "Recorded in SUADPS," initial, and forward to stock control for filing in the history file.

Files Updated

Upon completion of warehouse action processing, the computer files are updated as a result of the issue transaction. The on-hand quantity is reduced by the quantity issued to reflect the quantity remaining in the storeroom or warehouse locations.

When the issue is maintenance related, a maintenance data collection (MDC) record is added to the applicable file. The data included are the job control number (JCN), document number, NSN, work unit code, and so forth. Refer to OPNAVINST 4790.2 for additional information on maintenance reporting.

Issues of AVDLR/DLR material at aviation activities will update the repairable tracking file. This file contains the requisition generated to replenish the item for stock.

The issue transaction record is added to the financial holding file and held until financial posting and reporting are completed at the end of the month's financial processing.

The issue transaction is added to the material transaction ledger file for later review on the cumulative transaction ledger (CTL) and subsequent research requirements.

When the issue is partial NIS or total NIS, the DTO requisition for the NIS quantity is established in the basic requisition file.

When the issue is partial NIS or total NIS, the off-station DTO requisition for the remaining quantity is added to the transaction holding file pending requisition release Processing by stock control.

Maintenance Support Package

Maintenance Support Package (MSP) material consists of small, low-cost, aviation consolidated allowance list (AVCAL) allowance stock material. Items included in an MSP are designated by the supply officer and are identified on the basic material file by setting the MSP indicator. MSPs are centrally located in or near aviation maintenance facilities to provide easy access to maintenance personnel. Items in MSP are issued to satisfy immediate maintenance requirements. Requests for additional quantities and intended for stock-piling by work centers is not permitted.

ISSUE PROCEDURES.— Issues from MSP are accomplished according to the procedures outlined in NAVSUP P-567 or they maybe done off-line using a locally developed drop sheet form. When the drop sheet is used, issues are conducted upon presentation of a Maintenance Action Form (MAF) or a facsimile print-out. A separate line entry is made on the drop sheet for each item issued. Daily MSP issues are recorded in SUADPS-RT using the MRI post-post option described in *SUADPS-RT Support Procedures, volume 2*, chapter 3.

MSP LISTINGS.— A listing of MSP material is produced using the master stock status and locator listing (MSSLL) and general selector functions of SUADPS-RT processing. These lists should be made available to all user departments and updated periodically to maintain current data.

ISSUE CONTROL

Supervisors must ensure that internal control procedures are being followed. These controls are established to monitor all pending issue requests until they are completed. The purpose of internal control is to ensure that the following are obtained:

- Process all customer requirements within prescribed time frames
- Preserve the highest possible inventory accuracy
- Assure the integrity of computer files

The SUADPS-RT assists in this monitoring function through the issue pending file and daily unprocessed picking ticket (issue document) report. This report must be reviewed daily and a follow-up action initiated to complete all outstanding issue transactions.

Issue requests processed off-line are monitored using copies of issue documents retained in the issues pending file (manual). This file must be reviewed daily, and follow-up action must be taken for all documents not returned within the 72-hour time frame.

MATERIAL TRANSFERS

Material transfer is the movement of material from the custody and records of the activity to a nonsupported Navy ship or shore activity. Material transfers are made only upon receipt of an official request document. However, material in excess of the activity's needs may be off-loaded to a shore activity.

Responsibility

The *Standard Organization and Regulations of the U.S. Navy*, OPNAVINST 3120.32, paragraph 328, defines the general duties of the supply officer. These duties include the responsibility for managing material transfer. The supply officer or designated assistant must approve transfer of material from the command, However, the management responsibility for some special material is delegated by the commanding officer to other officers. In this case, the delegated officer is responsible for approving transfer of these materials. Although such responsibility may not be delegated in a commanding officer's letter, it should be specified in the activity's organization and regulations manual.

Before transferring any material (except for excess items) to another activity, the supply officer should make sure that the material is not currently needed by

the departments that normally use it. In the absence of the supply officer or the designated assistant, material transfers may be approved by the duty supply officer or the command duty officer.

Department heads and responsible officers other than the supply officer, are not authorized to transfer stock or operational support inventory material in their custody. When transfer of such material is necessary, the custodial department head is responsible for turning the material into supply for documentation and transfer. Other department heads or responsible officers are also responsible for notifying the supply officer of existing or anticipated needs they have for the RFI material that is being considered for transfer.

Files Updated

Under automated procedures, the following files are updated at the completion of all transfer transactions:

- The on-hand quantity in the basic material file (BMF) is reduced by the quantity actually transferred.
- Upon completion of a transfer, the record of the transaction is added to the financial holding file and held until all financial posting and reporting has been completed by the end of the month's financial processing.
- Upon completion of a transfer, the transaction is recorded in the material transaction ledger file. This file can be used for subsequent research concerning the transaction through SUADPS-RT.

CASH SALES

Transactions involving cash sales must be reviewed to ensure they meet the requirements of NAVSO P-3013-2. With the approval of the commanding officer, transfers of material by cash sale maybe made to the following:

- U.S. Air Force and Army activities (See NAVSO P-3013-2, paragraph 6103)
- Marine Corps (See NAVSO P-3013-2, paragraph 6101)
- Military Sealift Command commissioned ships (See NAVSO P-3013-2, paragraph 6102-2)
- Merchant ships (See NAVSO P-3013-2, paragraph 6103-2)
- Foreign merchant ships, naval ships, and aircraft (See NAVSO P-3013-2, paragraph 6104)
- Other government departments and foreign governments (fuels and lubricants) (See NAVSO P-3013-2, paragraphs 6104-3 and 6200)
- U.S. Coast Guard activities (See NAVSO P-3013-2, paragraph 6103)
- Sales to U.S. Government Activities and Organizations

Before transfer of material, an official order or requisition signed by proper authority must be received from the requesting activity. The order or requisition must provide the appropriation of the department to be charged and the fiscal officer from which reimbursement is to be obtained. When possible, cash is collected locally from the activity receiving the material. When it is not possible to collect cash locally, appropriate documentation is forwarded to Defense Finance and Accounting Service (DFAS), Mechanicsburg, PA 17055, code XDN, for collection.

Sales to Other Governments and Organizations

Material may be transferred by cash sale when the conditions in NAVSO P-3013-2 are met. Material may be sold for cash to foreign naval vessels and military aircraft, allied armed forces, merchant vessels, nonmilitary aircraft, civilian organizations, and foreign countries (during civil disaster or emergencies). The commanding officer of the selling activity must approve the sale in writing and certify the circumstances that require the sale. Sales should be made for cash, which will be collected locally whenever possible. When it is not possible to collect cash locally, the procedures outlined in the following paragraphs should be used.

CASH COLLECTED LOCALLY.— When cash is collected locally for material sold according to procedures listed above, a DOD Requisition and Invoice/Shipping Document, DD Form 1149, should be prepared. Refer to NAVSUP P-567, chapter 6, for an example of a DD Form 1149 format for cash sales.

Upon completion of the cash sale copies, the DD Form 1149 must be distributed accordingly. Forward the original and three copies of the completed form to the disbursing officer. Attach one copy to the monthly financial inventory report in which the cash sale is being reported. File one copy with the monthly financial inventory report that is being retained for file. Place one copy in the expenditure invoice file. Forward one copy to stock control for processing the transaction into SUADPS-RT and for filing in the history file. Provide one copy of the DD Form 1149 to the customer.

CASH NOT COLLECTED LOCALLY.— When it is not possible to collect cash locally for cash sales, prepare a DD Form 1149 containing the mandatory information described in the following texts.

- Provide the name of the department, bureau, office, branch, and specific activity to which the material was sold.
- Provide the name and address of the fiscal office or commercial firm from which reimbursement is to be obtained.
- Print the date and number of the request placed by the ordering activity.
- Provide a complete appropriation symbol data of the department that will bear the cost (not required for sales to foreign governments and commercial or private organizations).
- Ensure to obtain the receipt signature of a responsible representative from the receiving activity/organization.
- Include the Defense Business Operations Fund (DBOF) appropriation, subhead, and fictional account to be credited for the cash sale.

When receipt signatures cannot be obtained because of geographic limitations, material should be shipped by certified mail with return receipt requested. The certified mail number must be indicated in block 2 of the DD Form 1149. Copies of all outstanding and completed certified mail shipments should be retained in the expenditure invoice file as backups for challenged billings.

Upon completion of the cash sale transaction, the DD Form 1149 should be distributed accordingly. For material managed by the Naval Aviation Inventory Control Point, Mechanicsburg, PA, mail the original and three copies (one copy signed by consignee or person receiving the merchandise) for collection to Defense Finance and Accounting Service (DFAS), Mechanicsburg, PA 17055, code XDN. Each DD Form 1149 should be listed separately on a letter of transmittal showing the invoice/requisition number and the total amount of the sale. Attach one copy with the monthly financial inventory report in which the sale is recorded. Place one copy with the monthly financial inventory report that is being retained for file. Use one copy for filing in the expenditure invoice or proof of delivery file. Forward one copy to stock control for processing into SUADPS-RT and tiling in the stock control history file. Provide one completed copy of the DD Form 1149 to the customer.

Cash Sales codes

The customer codes used in preparing the DD Form 1149 to document cash sales are listed in *NAVCOMPT Manual,* Volume 2, paragraph 028302-3.

Files Updated

Upon completion of cash sale transactions, update the appropriate stock control files. The on-hand quantity is reduced by the quantity of the material sold. After completing the transaction in SUADPS-RT, add the cash sale record to the financial holding file until all financial posting and reporting have been completed at the end of the month's financial processing.

MATERIAL SURVEYS

Even with the control and security established to safeguard stock and property book material, discrepancies may still occur. These discrepancies are subject for review/approval of the applicable authority through survey procedures. Discrepancies concerning physical inventory management of stock are described in NAVSUPINST 4440.115. The *Defense Finance and Accounting Service Manual,* (NAVSO P) 1000.3, describes plant property and other Navy Property. *The Afloat Supply Procedures,* NAVSUP P-485, Appendix II, lists the items included in controlled equipage.

Other discrepancies may be attributable to other activities and are reported according to other regulations. For example, a discrepancy in shipment that is attributed to the shipper must be processed according to NAVSUPINST 4440.179. In this case, the receiving activity does not have to process a survey, but a report of discrepancy must be submitted.

Material survey is a procedure for determining the cause of gains, losses, or damage to Navy property, establishing personal responsibility (if any), and

documenting necessary inventory adjustments to stock records.

The inventory adjustment process is designed to adjust and correct the difference between the quantities in the stock records and in the location(s). For certain items, the inventory adjustment process is inadequate to certify that the loss or gain was not caused by misconduct, negligence, or abuse. In this case, a survey action may be required.

When a preliminary research cannot resolve the discrepancy, the accountable and responsible individual must initiate a causative research. A *Financial Liability Investigation of Property Loss,* DD Form 200, is prepared and forwarded to the appropriate survey officials. When the survey action involves stock material, the inventory adjustment is entered into the stock record only after approval of the survey.

Survey Requirements

When a loss or gain of material meets the criteria for survey action, prepare a DD Form 200 according to the procedures outlined in NAVSUP P-485.

CRITERIA FOR SUPPLY SYSTEM STOCK.— Prepare a DD Form 200 for unresolved discrepancies involving supply system stock material categories as follows:

- Sensitive items such as drugs, precious metals, narcotics, and alcohol regardless of money value .
- Classified material regardless of dollar value.
- Arms, ammunition, and explosives regardless of dollar value.
- Pilferable, valuable, and attractive items that easily convert to personal use (such as hand tools, individual clothing, office machines, and photographic equipment) and when extended dollar value of a line item discrepancy is $750.00 or more.
- Bulk petroleum products when the loss exceeds stated allowances.
- Noncontrolled items when the extended dollar value exceeds the causative research threshold of $2,500 ($5,000 for CLF food items).
- Any adjustments to AVDLR/DLR, regardless of dollar value.
- Discrepancy or repetitive loss where there is an indication or suspicion of fraud, theft, or negligence.

CRITERIA FOR PROPERTY BOOK MATERIAL.— Property book material consists of all government property other than supply system stock. It includes military real property, military personal property, weapons and other military equipment in use, and plant equipment. When property book material is lost, commanding officers must determine if a DD Form 200 is required to assign responsibility, adjust records, or provide relief from accountability. As a rule, all items are subject to survey procedures with the following exceptions:

- When the loss of a motor vehicle is involved, a motor vehicle accident investigation report may be used instead of the report of survey. The accident report may be used for survey purposes only when the investigation clearly indicates that there is no negligence, personal injury, or claim against the government.
- Discrepancies in quantities transferred to disposal DRMO are not surveyed provided that the value of the loss is less than $300 per line item and does not involve sensitive items. A pattern of shortages may trigger an investigation to identify theft or intentional losses of items to avoid preparing turn-in documents.
- Special tooling and special testing equipment reporting procedures should be provided by the cognizant laboratory or hardware systems command.
- Property lost during combat operations. These losses are accounted for in other regulation and need not be reported on DD Form 200.

Missing, Lost, Stolen, and Recovered Reports

In addition to the above procedures, SECNAVINST 5500.4 should be consulted with respect to the policy of missing, lost, stolen, and recovered (MLSR) reports The MLSR (message report) is required for adjustments of sensitive or classified items such as arms, ammunitions, and explosives. The DD Form 200 is used as the final report if a sensitive item is in the inventory. Material damaged in shipment and in transit that is reported on Standard Form (SF) 364 or SF 361 also requires a DD Form 200 as a final report.

Responsibility for Survey Actions

The discrepancies that require a DD Form 200 are subject to review/approval by the individuals listed in table 3-3.

The Accountable Officer is an individual appointed by proper authority who maintains items/financial records in connection with government property. The property may be in his/her own possession, in storage, or in the possession of others. The accountable officer may entail financial liability for failure to exercise his/her obligation. For supply system stocks, the stock control officer is normally assigned this responsibility (figure 3-1).

The Responsible Officer is an individual appointed by proper authority to exercise custody, care, and safekeeping of property book material.

The Reviewing Authority is an individual designated in writing by the Approving Authority to review and analyze the results of supply system stock research.

The Appointing Authority is an individual designated in writing by the Approving Authority. (NOTE: The Approving Authority may act as the Appointing Authority.) The Appointing Authority performs the following:

- Appoints financial liability officers when required

Approves or disapproves the recommendations of the Responsible Officer, Reviewing Authority, or Financial Liability Officers

Recommends actions to the Responsible Officer

The Approving Authority makes determination to relieve involved individuals from responsibility or accountability or approve the assessment of financial liability. The Approving Authority may act as the appointing authority or designate an Appointing Authority in writing. The Approving Authority is normally senior in rank to the Appointing Authority. The approving authority is normally the commanding officer with the following exceptions:

- The CO may authorize the supply officer to approve surveys of Defense Business Operations Fund (DBOF) material valued at less than $10,000.
- The Approving Authority may not be directly accountable or responsible for the property being surveyed.

Survey Process

The steps for processing surveys include the following:

- Initiation of inquiries
- Review process

Table 3-3.-Role of Individuals in a Survey Process

AUTHORITY	MATERIAL CATEGORY			
	STORES INVENTORY	PROVISIONS INVENTORY	SHIP'S STORE INVENTORY	OTHER PROPERTY INVENTORY
Accountable Officer	SUPPO or Stores officer	Food Service Officer	Sales Officer	Dept Head
Responsible Officer	Division Officer or LCPO/LPO	Division Officer or LCPO/LPO	Division Officer or LCPO/LPO	Dept Head or Division Officer
Reviewing Authority	SUPPO/ASUPPO (If not accountable)	SUPPO/ASUPPO (If not accountable)	SUPPO/ASUPPO (If not accountable)	XO
Appointing Authority	CO, XO, or SUPPO (if not accountable)	CO, XO, or SUPPO (if not accountable)	CO, XO, or SUPPO (if not accountable)	CO, XO
Approving Authority	CO or SUPPO (if not accountable)	CO or SUPPO (if not accountable)	CO or SUPPO (if not accountable)	CO or SUPPO (if not accountable)

- Recommendations for unresolved discrepancies that indicate no personal responsibility
- Investigations and documentation of facts concerning unresolved discrepancies that indicate evidence of personal responsibility

Approval of the report

In some cases, the discrepancy may require submission of other reports. For example, losses of controlled substances require a report to Drug Enforcement Administration according to NAVSUPINST 4440.146.

Preparation of DD Form 200

The DD Form 200 is used to document the report of survey and certify the survey process when government property is lost, damaged, or destroyed. This form is the official document to support establishment of debts, relief from accountability, and adjustment to accountable records for supply system stock and property book material. The preparation of the DD Form 200 may vary slightly, depending on the nature of the asset (property book material or supply system *stock).* Refer to NAVSUP P-485 for specific instructions in preparing the DD Form 200.

Distribution of the Completed DD Form 200

Upon completion of the survey, distribute the DD Form 200 accordingly. The originating activity retains the original copy unless required by higher authority. A duplicate copy is returned to the appropriate property officer to replace the quadruplicate copy, which may then be destroyed. Forward a third copy to the disbursing officer if pecuniary liability is assessed. If pecuniary liability is not assessed, the triplicate copy is destroyed. Forward copies of DD Form 200 for surveys exceeding $100,000 to the type commander with the monthly financial returns.

Retention Of Records

The approved DD Form 200, preliminary and causative research findings and recommendations, and all other documentation related to the surveyed material should be retained for a period of 2 years.

Requirements and Limitations Regarding Withholding the Pay of Personnel

There is no statutory authority for withholding the pay of nonaccountable persons for the loss of or damage to government property. It is the policy of the Department of the Navy that, in the absence of statutory authority, an individual's pay may not be withheld for loss of or damage to government property unless the individual voluntarily consents to the withholding. However, under the provisions of Title 31, United States Code 89-92, the Commander, Naval Supply Systems Command (COMNAVSUPSYSCOM) is authorized to make determinations relating to the responsibility of accountable officers for the loss of property entrusted to them that occurred through the negligence of the accountable officer. Determinations of COMNAVSUPSYSCOM are made on the basis of technical and legal review of evidence contained in investigations conducted according to the provisions of the *Judge Advocate General (JAG) Manual,* chapter 2. The indebtedness of an accountable officer is established when the commander or director certifies to the General Accounting Office. This is considered sufficient to permit withholding of current pay, as well as final pay, as prescribed in the *Department of Defense Pay and Entitlements Manual.* For nonaccountable persons, indebtedness may be established according to the provisions of the *JAG Manual,* section 0167, and *NAVCOMPT Manual,* Volume 4.

Reimbursement to the Government

Collecting or checking a pay record for loss or damage to government property by naval personnel is not authorized unless the member concerned voluntarily consents, in writing, to such action (refer to *NAVCOMPT Manual,* paragraph 043114-2). When the person voluntarily agrees, the following procedures apply.

COLLECTIONS FROM ENLISTED PERSONNEL.— The commanding officer or officer in charge should advise enlisted personnel who voluntarily agree to reimburse the government of their:

- right to legal counsel,
- right to rebut the findings,
- right to make remittance direct to the disbursing officer, and
- right to appeal the finding of the report of survey.

COLLECTIONS FROM OFFICERS.— When an officer or warrant officer is held pecuniarily liable, the commanding officer or officer in charge (OIC) notifies the individual of his/her legal rights. The CO or OIC requests the individual to accomplish the following actions:

- Remit the amount to the local disbursing officer and furnish a copy of the receipt to accompany the DD Form 200.
- Authorize the preparation of a Military Pay-Adjustment Authorization, DD Form 139.

The CO or OIC sends a copy of the approved DD Form 200 to the disbursing officer for collection.

EVIDENCE OF NEGLIGENCE—REIMBURSEMENT.— When the results of the research are positive and the responsible individual admits pecuniary liability for a loss, damage, or destruction not exceeding $500, he or she may agree to reimburse the government in one of two ways. The individual may pay in cash, in which case a Cash Collection Voucher, DD Form 1131, is processed. The other way is to grant permission for preparation of a Military Pay-Adjustment Authorization, DD Form 139, authorizing a deduction from his or her pay. A Report of Survey, DD Form 200, is processed in all cases when the dollar amount exceeds $500.

SUMMARY

In this chapter we discussed the procedures for processing receipts. We discussed how receipt processing is enhanced by proper layout of workspaces, procedures, personnel, material handling equipment, and storage areas. We also discussed the different ways and places we may receive and process materials and the people involved to accomplish them.

We have learned that the basic procedures for processing receipts ashore or afloat is the same. The basic procedure includes inspection and verification (if required), documentation, maintaining proof of delivery, appropriate storage (as needed), and recording the transactions.

Material may be received by the supporting activity as direct turnover (DTO) to the customer or for supply stock. These actions occur as a result of requisitions submitted by the customer or for stock replenishment. The supporting supply activity may also receive materials when the customer returns them for a reason. Customers return material to the supply activity because the material is no longer required. In some cases, materials not conforming to requirements or are quality deficient are also returned to supply.

In this chapter, we also discussed the procedures we may take to report receipt discrepancies. The discrepancies should be reported on time, using the proper forms, and copies of the report are distributed to the proper activities.

We also discussed the different types of material expenditures, the procedures to accomplish the transactions, and the references that support them.

This chapter will help you perform the following tasks:

- Monitor receipt and disposition of material
- Manage the aviation consolidated allowance list, the shore consolidated allowance list, and monitor repairable management through receipts and expenditure processing

CHAPTER 4

AVIATION MATERIAL MANAGEMENT

The unique characteristics of today's Navy, for the most part, determine the nature and size of its supply management. Supply management has adapted itself to the changing material requirements and advancing technologies. Supply system procedures have also adapted to respond to the changing operational requirements,

This chapter will help you learn the principles and procedures for managing aviation material. You will learn the procedures for issuing an Aviation Consolidated Allowance List (AVCAL) and Shore Consolidated Allowance List (SHORCAL) to an activity. You will also learn the procedures to properly manage the AVCAL and SHORCAL.

THE NAVY SUPPLY SYSTEM

The term *Navy supply system describes* that system under the direction of the Commander, Naval Supply Systems Command, consisting of inventory managers and stock points, with primary functions to provide material to the Operating Forces of the Navy.

The major responsibility of the Navy supply system is to provide material in support of the operation and maintenance of aeronautical equipment. Every effort will be made to have material located when and where it is needed. The intent is to make the relationship between the supplier and the user as simple and uncomplicated as possible within the boundaries of logistics directives published by higher authority.

SUPPLY SYSTEM MANAGEMENT

The Navy supply system is part of the total federal supply system. It procures, maintains, and distributes equipment, repair parts, and consumable inventories to Navy customers. 'he basic responsibility for providing supply support to meet user needs is the function of naval inventory control points (NAVICPs). The cognizant systems command and the users determine the individual supply support measures of ashore and afloat units.They also determine the range and depth of items to be carried and position inventories at those designated activities.

The Naval Inventory Control Point-Philadelphia (NAVICP-Phil) is the primary inventory manager of the aeronautical items used in the Navy. Commonly, the senior AK is involved in managing aeronautical materials in the retail level. Technical aviation material consists of material and spare parts for aircraft, power plants, avionics, electrical and meteorological equipment, safety equipment, and support equipment (SE) both common and peculiar. All of these items are composed of consumable and repairable aviation materials. The repairable items are also referred to as Aviation Depot Level Repairable (AVDLR) or Depot Level Repairable (DLR). AVDLR components represent the most significant dollar investment in the entire aeronautical item inventory. Improved management of these components is essential to the increased readiness of the operating forces and to the reduction of support costs.

The NAVICP-Phil's material mission is the program support of weapons systems, aeronautical equipment, and components under the design, engineering, and configuration control of the Naval Air Systems Command (NAVAIRSYSCOM). Certain items required in support of NAVAIRSYSCOM material programs may be under the management cognizance of several ICPs; however, program information is provided by NAVICP-Phil to these ICPs to enhance the supply support.

MANAGEMENT OF REPAIRABLES

A repairable is an item that, when unserviceable, normally can be economically restored to a serviceable condition through repair procedures. Repairable are grouped as field level repairable (FLRs) or depot level repairable (DLRs). The criteria used to categorize an item as FLR or DLR is based on the lowest level authorized to condemn the item.

The FLRs are condemned and disposed of at the field level. The material control code (MCC) D is assigned to identify FLRs. The inventory levels for the FLR are computed in the same manner as for consumables.

The DLRs are items that can be economically repaired at depot level (D-level) maintenance if it is

beyond the repair capability of the organizational (O-level) or intermediate (I-level) maintenance levels. The DLRs in Not Ready For Issue (NRFI) condition must be shipped to the dept level maintenance activity for repair or disposition. The DLRs are identified by MCCs E, G, H, Q, or X (with the exception of cognizance 6RX).

Advanced technology has made the weapons systems more sophisticated. The equipment, components, and related parts necessary to sustain the weapons systems also have become more complex and specialized.

The weapons replaceable assembly (WRA) is the generic term that includes all replaceable packages of an avionic equipment or system as installed in the aircraft weapons system. The WRA does not include cable assemblies, mounts, fuse boxes, or circuit breakers. The WRA is composed entirely of shop replaceable assemblies (SRAs).

The shop replaceable assembly (SRA) is a generic term that includes all the packages in the WRA. The SRAs include the chassis and wiring as a unit.

NOTE: An SRA may be made of other SRAs.

Several shop replaceable assemblies (SRAs) make up a weapons replaceable assembly (WRA). When a component fails and it is diagnosed that the cause is in an SRA, the entire SRA module containing the defective part is removed and replaced. Repairable items are expensive and normally require a long lead time in procurement. However, if the defective SRA components are repaired and returned to the supply system, the fleet can maintain its readiness.

Stock records at all supply levels must reflect total quantities of all available repairable components. These quantities are reported to the NAVICPs. The report will enable the NAVICPs to have an accurate count of assets to budget for procurement and distribution. The NAVICPs also use the report to determine proper repair workload scheduling to maintain ready for issue (RR) stock levels, The item manager must keep track of both RFI and not ready for issue (NRFI) material to maintain the required quantity. The NAVICP uses this information to decide whether to buy additional quantities or repair NRFI assets to fill the requirements.

Categories of Repairable

Initially, an item is designated as repairable or consumable during the development of the maintenance plan by the Hardware Systems Command and implemented into the coding process during the provisioning process. This plan includes information necessary to establish the source maintenance and recoverability (SM&R) code. The maintenance plan also designates the lowest maintenance level that is authorized to perform a specific task on an item. The different maintenance levels are the organizational, intermediate, and depot level. The SM&R code reveals the maintenance level authorized to perform the following work:

- Remove and replace the item
- Repair the item
- Condemn the item if it cannot be repaired

After the repair level for an item has been designated, the item is assigned a material control code (MCC) by the item manager. The MCC is a single-letter code used for identification of repairable items, to segregate items into more manageable groups, or to relate to field activities special reporting and/or control requirements.

Ownership

Aviation Held Level Repairable (AVFLRs) may be carried in purpose codes W or L as authorized stock under an activity's fixed allowance. The AVFLRs that are excess to the authorized stock levels maybe carried under purpose code A. Afloat, AVFLRs are carried under stores account 51000 pending issue to customers.

In the DLR program, ownership relates to the account under which the repairable material inventories are held. These accounts include the Defense Business Operations Fund (DBOF), Appropriation Purchase Account (APA), contractor supported, and end-use ashore/afloat.

The DBOF (formerly Navy Stock Fund [NSF]) is a revolving fund with two major assets, cash and material. The DBOF cycles cash into material inventory by having the components repaired at depots, or by buying from vendors or other stores accounts. When material is received, it is placed on the shelf where it is held in Navy stock account 51000 pending requisitioning by a customer. When the material is issued to the customer, the DBOF is reimbursed by the customer's operating funds. The DBOF recycles the cash into inventory through repair or purchases and the cycle is then repeated.

The Appropriation Purchase Account (APA) material is held in Stores Amount 52000. The APA

materials are financed by procurement appropriations. These are the Aircraft Procurement Navy (APN), Weapons Procurement Navy (WPN), or Other Procurement Navy (OPN) appropriations. Some examples of items carried in APA are aircraft engines, radar systems, computers, and soon.

The contractor supported items are identified by a 0_ Cog. The contractor provides the support during the interim pied as agreed upon by the vendor and the Hardware Systems Command (HSC). The contractor support terminates at the Material Support Date (MSD). An MSD is the agreed upon date when the ICP will accept the responsibility for the support of the items. Upon acceptance of responsibility, the items are assigned with the appropriate cognizance symbol for the ICP. Refer to Appendix 17, Part C of NAVSUP P-437 for a list of cognizance symbols and their cognizant ICPs.

The End-Use DLRs are held in Stores Account 55000 for shorn activities. This also applies to afloat units using the Shipboard Uniform Automated Data Processing System-Real lime (SUADPS-RT) with Uniform System Identification (USID) codes C or M. The USID code C applies to ships with designations of CV, CVN, LHA, LPD, and LHD. The USID code M applies to Marine Aviation Logistics Squadrons (MALS). Under this concept, the supporting activity (not the customer) is responsible for the issue, replenishment, and financial accounting of end-use inventories. Ashore, end-use DLRs are carried in the W or L purpose. Afloat, a majority of these items are carried under allowance-type (AT) code 2. 'he aviation activities buy end-use DLRs with Operations and Maintenance funds apportioned to them by their respective type commanders. The supply officer also uses the Operations and Maintenance fund to maintain the inventory of end-use DLRs.

Condition Codes

To manage repairable components properly, you should distinguish the condition of items in stock. The manager must know if an item is in RFI condition, requiring repair, or being repaired. The supply condition code is assigned to classify the materials in terms of their readiness for issue and use. As material moves through the repair cycle, its condition code changes. The most current condition code is used to record the status of the material. A complete listing of supply condition codes is listed in appendix A2 of MILSTRIP/MILSTRAP, NAVSUP P-437, and appendix 9 of *Afloat Supply Procedures,* NAVSUP P-485.

Local Repair Cycle Asset (LRCA)

The LRCA storage unit is under the Aviation Support Division/Supply Support Center (ASD/SSC) of a supply department. This unit is responsible for receiving, storing, issuing, and accounting of repairable assets controlled by ASD/SSC. The LRCA is part of the activity's fixed allowance and stored close to the intermediate maintenance activity (IMA). To prevent submitting a requisition to the supply system every time a replacement serviceable unit is needed, NAVICP-Phil provides a fixed allowance to the supporting activity. When an NRFI unit is removed from an aircraft or equipment, an RFI replacement is issued from the LRCA storage unit. The NRFI unit is inducted into the IMA for repair. When the item is repaired locally, it is returned to the stock storage as an RFI asset. When the item cannot be repaired locally, or when the item is an AVDLR, it is then forwarded to the designated repair point/designated support point (DRP/DSP) for repair and an RFI replacement unit is requisitioned from the supply system.

A fixed allowance is established based upon an estimate of the activity's usage considering such factors as failure rates, operating hours, and the I-level repair turn-around time (TAT).

The important factor in determining the allowance quantity of a repairable item is the TAT. The TAT is the length of time from the removal of the NRFI component to its restoration to serviceable condition and returned to the shelf. The objective of the maintenance activity is to keep this TAT as short as possible.

The total repair process can be thought of as a circular system wherein the unserviceable unit enters the repair program in F condition and is repaired and returned to stock in A condition. This process is referred to as depot repair cycle.

Master Repairable Item List (MRIL)

The MRIL is the official designated source for determining the proper disposition of NRFI repairable. The MRIL is available in Compact Disk Read-Only Memory (CD-ROM) and in mechanized format.

The MRIL in CD-ROM is the primary source of information for nonmechanized activities. This format is updated in its entirety, published, and distributed monthly. The CD-ROM format is in two parts.

Part 1 of the CD-ROM MRIL is a list of all DLRs in national item identification number (NIIN) sequence. The information includes associated data pertinent to each item. Some of the data are the Cog, MCC, movement priority designator (MPD), shipping code, and special notes where applicable. The shipping code may be a six-position code beginning with an N, a C, or a W. The N represents a Navy activity with the remaining five digits being the unit identification code (UIC). The C represents a commercial repair facility and the W represents an other service repair facility. The digits following the C or W are not UICs. If the MRIL lists more than one shipping code, ship the item to the closest address from your activity. Shipping codes may also be a WW, XX, YY, or ZZ. Only one shipping code is assigned to an item in the MRIL. his code will either be an alpha alpha or six-digit UIC shipping code but not both. The WW and YY shipping code indicates that the item must be sent to a Defense Reutilization and Marketing Office (DRMO). 'he XX shipping code indicates that the item is shipped to the closest fleet and industrial supply center (FISC). The ZZ shipping code indicates that disposition and shipping instructions must be requested from the ICP.

Part 2 of the CD-ROM MRIL is a list of shipping addresses relative to the shipping code in part 1. This part also includes the supplementary address information wherever applicable.

The mechanized MRIL is used by activities having a computer system. The information in the mechanized MRIL is the same as in the CD-ROM format. The mechanized MRIL is established and maintained on three computer disk files from MRIL computer tapes. The MRIL computer tapes are provided monthly by the Fleet Material Support Office (FMSO) to mechanized activities. One of the files is equivalent to the part 1 of the CD-ROM format. The other two files are identical shipping address files except one is in shipping code sequence and the other is in activity sequence code (ASC) order. The ASC is a four-position numeric code. The ASC is developed to permit mechanized processing by computing the difference (value) between the processing activity's ASC and the listed DRP/DSP ASCs. The lowest value is the closest DRP/DSP whenever there is more that one DRP/DSP to which an item can be shipped.

The MRIL must be used in conjunction with other publications. Afloat units should use additional guidance outlined in *Afloat Supply Procedures*, NAVSUP P-485, and *Supply Afloat Packaging Procedures*, NAVSUP P-484. Ashore activities should use additional guidance outlined in the MILSTRIP/ MILSTRAP, NAVSUP P-437, and *Material Turned in to Store* (MTIS) Manual, NAVSUP Instruction 4440.157.

The area of the MRIL that is subject to change is the material priority designator (MPD). The item manager (IM) has the option to lower or raise the MPD. The IM raises the shipment priority of the retrograde to the DRP/DSP to expedite repair. The IM may lower the shipment priority if the inventory quantity of the item is sufficient to support future requirements.

Advanced Traceability and Control (ATAC)

The new procedures for moving NRFI DLRs are provided by ATAC. The ATAC directs shipment of NRFI DLRs to a specific Hub activity within the geographical zones on the east or west coast. It also directs shipments to Transportation Nodes such as Fleet and Industrial Supply Center (FISC) Yokosuka or NAS Sigonella. The Nodes consolidate the shipments of NRFI DLRs and forward the consolidated freight to the closest Hub for processing. The Hub performs full technical screening, packing and preservation, and transaction reporting. The Hub transships the NRFI DLRs to the DRP/DSP according to the MRIL. The two geographic Hubs are FISC Norfolk and FISC San Diego.

Some programs are excluded from the ATAC Hub concept. Some of the programs that are excluded are the repair and return, ship's express, and classified items. Refer to NAVSUP P-545 for a complete list of programs that are excluded from the ATAC Hub concept.

FIELD LEVEL REPAIRABLE (FLRs)

As described in the previous paragraphs, aviation FLRs are identified by cognizance symbol 1RD. End-use requirements for FLRs are filled from the activity's fixed allowance. If the required FLR is not available for issue, the NRFI component is inducted for expeditious repair (EXREP). If the EXREP is unable to satisfy the requirement, retail activities may issue from purpose code A assets. Wholesale activities refer their requisitions to NAVICP-Phil.

Upon issue of an FLR, the financial transactions will not be recorded when the NRFI turn-in was repaired by the maintenance activity. If the maintenance activity was unable to repair the NRFI turn-in, the expenditure will be recorded at the standard

price. The customer will be balled for the FLR issued and will not be credited for NRFI turn-in.

The NRFI FLR is disposed of according to the MRIL. Stock replenishment for FLRs may be obtained from the purpose code A stock or from the supporting supply source. Refer to NAVSUPINST 4440.159 for detailed procedures for FLR transactions.

DEPOT LEVEL REPAIRABLES (DLRs)

The DLRs are repairable items for which the condemnation should be made at the depot level. These items may also be repaired at the organizational or intermediate level as determined by the assigned SM&R code. Depot level repairable are further categorized as described in the following paragraphs.

- Aviation Depot Level Repairable (AVDLRs) are DLRs under the management of the Naval Inventory Control Point-Philadelphia (NAVICP-PM). Selected repair or maintenance of AVDLR components can be accomplished at the intermediate maintenance activity (IMA). Unserviceable AVDLRs that were determined to be beyond capability of maintenance (BCM) at the IMA must be shipped to the depot repair facility.

- Non-AVDLRs are DLRs under the management of the Naval Inventory Control Point-Mechanicsburg (NAVICP-Mech). Unserviceable non-AVDLRs are shipped to a depot repair facility when determined to be BCM at the IMA.

- NSA DLRs are Defense Business Operations Fund (DBOF) owned DLRs under the management of NAVICP-Phil or NAVICP-Mech. The NSA DLRs are carried in stores account 51000.

- Appropriation Purchase Account (APA) DLRs are those items identified by an even number cognizance (Cog) symbol and managed by NAVICP-Phil or NAVICP-Mech. These DLRs are carried in stores account 52000.

MANAGEMENT PROGRAMS FOR AVIATION REPAIRABLE

Several management programs for repairable have been established within the aviation supply system to enable the IMs to maintain control and to make sure unserviceable components are repaired in a timely manner. Some of these special programs are discussed in the following paragraphs.

OPERATIONAL SUPPORT INVENTORY/FIXED ALLOWANCE

Weapons systems are supported under the operational support inventory/fixed allowance concept. Refer to NAVSUPINST 4440.160, FASOINST 4440.15, and FASOINST 4440.16 for detailed procedures. A negotiated firm allowance of repairable assets may not be exceeded without NAVICP authorization. Strict one-for-one exchange discipline between O- and I-level maintenance activities and the supply department must be maintained. Off-station requisitions must not be submitted before the item is confirmed as beyond capability of maintenance (BCM), except when the item is listed in the consolidated remain in place list (CRIPL). The NAVICP maintains visibility of stock records of fixed allowance repairable through the transaction item report (TIR) from activities assigned as TIR sites. Storage of fixed allowance assets is authorized at any ASD/SSC location within the operating site. Normally, the storage site is referred to as the LRCA storage unit.

INTENSIVE REPAIRABLE ITEM MANAGEMENT (IRIM) PROGRAM

The NAVSUP Instruction 4419.4 describes the IRIM program at the inventory control points in detail. This program was established to standardize previously existing programs for intensive management of high cost, critical aviation, and shipboard repairable items. For aviation repairable, the IRIM program replaces the intensive closed-loop aeronautical management program (I-CLAMP). The implementation of the IRIM program is designed to resolve problems with availability, reduce backorders, improve repair turn-around time (RTAT), and improve carcass returns. You can also refer to ASOINST 4440.99 concerning the IRIM program.

COMPONENT REPAIR PROGRAM

The primary objective of the aeronautical component repair program is improved readiness through the return of all repairable components to the operating forces with the least expenditure of material, manpower, and money. The scope of the component repair program is virtually unlimited since it ranges in depth from minute adjustment to complete repair of selected components. The program encompasses those functions performed by the O-, I-, and D-levels of maintenance during the overhaul, repair, check, test, certification, modification, or manufacturing processes.

Procedures for complying with the documentation of the component repair program are covered in OPNAV Instruction 4790.2 (NAMP).

Repair requirements for organically repaired aeronautical components under the cognizance of NAVICP-Phil are managed under two programs. They are the level schedule program and the B08 cyclic repairable management program. Repairable components may be selected for the level schedule program based on the history of high volume of system demands and annual rework expenditures. The balance of organically repaired 7R and 6K COG components is managed under the B08 program.

B08 Cyclic Repairable Management program

Repair requirements for B08 items are computed weekly on a family basis and stratified into four distinct urgency-of-need levels. The levels of need are outlined in FASO Instruction 4440.98. The B08 program identifies a deficit of RFI items to the computed requirement and identifies this as a production requirement. The actual induction quantity that will be used to support this requirement is constrained by factors such as DRP capability, availability of NRFI items to be repaired, and the DRP capacity.

Level Scheduling Program

Level scheduling is similar to the B08 program except that the items covered under level scheduling are manually negotiated on a semiannual basis. This program sets the production levels at the naval aviation depots (NADEPs) for those items that are at critical stocking levels.

Foreign Object Damage (FOD) Program

FOD is damage to aeronautical equipment caused by an external object. Some examples of FOD are the ingestion of hardware or tools by a jet engine and tires cut by debris on the ramp, taxiway, or runway.

FOD to aircraft, engines, support equipment, and other aeronautical equipment is a costly problem, the importance of which cannot be overstated. FOD presents personnel and material hazards, consumes valuable maintenance man-hours, imposes additional unscheduled workloads on both using and supporting activities, creates shortages, wastes dollars, and reduces operational readiness. A successful FOD prevention program depends on command support, personnel knowledge and awareness, and the degree of integration into the total maintenance effort. Most FOD can be attributed to poor housekeeping, facility deterioration, improper maintenance practices, or carelessness. Therefore, an effective program that identifies, corrects, and eliminates causal factors is very important.

Tool Control Program

The tool control program provides a means to rapidly account for all tools after completing a maintenance task, thus reducing the potential for FOD. A valuable benefit to this program is reduced tool loss, which reduces tool replacement costs.

The primary objective of the tool control program is to improve flight safety by eliminating aircraft accidents, incidents, and associated equipment damage caused by lost or misplaced tools. Secondary objectives include the reduction of expenditures for additional outfitting and replacement of missing, defective, or pilfered tools; the reduction of man-hours for maintenance task completion; and a general improvement in the quality of aviation maintenance.

The tool control program must provide instant inventory capability through internally configured tool containers, with each tool in individually tailored locations designed to highlight a missing tool.

The Office of the Chief of Naval Operations (OPNAV), through the aircraft controlling custodians (ACCs), is responsible for the implementation and management of the tool control program. Any request for deviation from established instructions must be addressed to the cognizant ACC via the chain of command. The material control officer coordinates the tool control program on the local level and is responsible for the procurement and issue control of all tools.

Requirements for tool containers, controlling numbers, identification by etching on each tool, and special accounting procedures are identified in OPNAV Instruction 4790.2 (NAMP).

Electrostatic Discharge (ESD) Control/Prevention Program

The ESD Program is the transfer of electrostatic charge between bodies at different electrostatic potentials caused by direct contact or induced by art electrostatic field. All areas where ESD items are handled, including supply storage areas and maintenance/production work centers, must have ESD safe areas.

The avionics division officer is responsible for a comprehensive training program for supply and maintenance personnel and ensures compliance with the requirements outlined in the *Electrostatic Discharge Control Handbook for Protection of Electrical and Electronic Parts, Assemblies and Equipment,* DOD-HDBK-263, and the *Electronic Assembly Repair, Standard Maintenance Practices Manual,* NA 01-1A-23, work package 005 for all avionics personnel and others who come in contact with ESD sensitive assemblies/devices. All printed circuit assemblies/ microcomponents are considered to be ESD sensitive while being handled, packaged, repaired, and transported. Guidance and direction for the identification, handling, and protection of ESD sensitive components should be followed according to NAVSUP Instruction 4030.46, and appropriate TYCOM instructions. *Supply Afloat Packaging Procedures,* NAVSUP P-484, details the proper methods and required materials used in packaging ESD sensitive components for storage and shipment.

Personnel safety cannot be overstressed in this program. In the past, technicians have always been isolated from electrical shock by nonconductive rubber mats. In ESD safe areas, these nonconductive mats have been replaced with conductive material/devices through which the technician is attached by a soft ground (a connection to ground through an impedance sufficiently high enough to limit current flow to safe levels for personnel), normally 5 milliamperes.

NOTE: Impedance is the opposition to current flow in an alternating current circuit.

Impedance needed for a soft ground is dependent upon the voltage levels that could be contacted by personnel near the ground. The practice of handling SRAs with power applied is strictly prohibited.

Strict compliance with these procedures must be followed by supply personnel who receive, store, ship, and issue ESD-sensitive components.

Engineering Investigation (EI) Program

The EI program was established under NAVAIR direction to conduct technical engineering investigations on failed materials. These investigations include identifying causes and contributing factors and recommending required corrective actions.

PURPOSE.— The EI program is applicable to all aircraft and weapons systems, subsystems, equipment, components, related support equipment (SE), special tools, and fluids/materials used in the operation of the equipment. The EI program accomplishes the following objectives:

- Provides an investigation process to determine the cause and extent of fleet-reported material failures.
- Supports the investigation of material associated with aircraft mishaps, lightning strikes, electromagnetic interference, and stray voltage problems.
- Provides for investigation of components rejected through the Joint Oil Analysis Program (JOAP).
- Supports the scheduled removal component (SRC), assembly service record (ASR), equipment history record (EHR), and module service record(MSR) programs by providing for the investigation of high-time and on-condition components/assemblies to confirm, revise, or initiate component/assembly operating times.
- Provides for engineering assistance relating to any fleet material problem.
- Supports the mandatory investigation requirements for activated aircraft escape systems as listed in OPNAV Instruction 3750.6.

Three different types of EIs may be conducted. They are the disassembly and inspection, material analysis, and engineering assistance.

RESPONSIBILITIES OF THE ORIGINATING ACTIVITY.— The activity must submit the EI request under one or more of the following conditions:

- Safety is involved
- Additional technical or engineering information is required to complete an aircraft mishap investigation.
- Aircraft readiness is seriously impaired because of poor material reliability.
- A component is rejected through the JOAP after authorized repairs are attempted and exhausted at the organizational and intermediate maintenance level.
- When directed by higher authority.

The originating activity must submit the EI request by routine precedence message within 5 working days after discovery of the deficiency. However, if the EI request is combined with a Hazardous Material Report (HMR), follow the reporting criteria for the HMR.

NOTE: Refer to OPNAVINST 4790.2 for HMR procedures.

Include the supporting supply department and, for DLRs, the designated support point (DSP) as info addressees on the EI message. Turn in the defective material to the supporting supply department unless it is environmentally sensitive. Hold environmentally sensitive material in the unit storage area pending disposition instructions from competent authority.

SUPPORTING SUPPLY DEPARTMENT RESPONSIBILITY.— The supporting supply department holds defective EI material until disposition instructions are received from the cognizant field activity (CFA) or other directing authority. Material should be marked with the words *Holding* 30 *Days for Investigation* and be held in supply for a maximum of 30 days. If disposition instructions are not received within this time frame, request disposition instructions from the CFA. If the investigation is needed, the maintenance engineering cognizant field activity (MECFA) may request the holding activity to ship the defective material. Ship the material in an "as is" condition. When a hazardous condition is evident, supply personnel perform only those tasks necessary to protect the material while it is being forwarded.

The following procedures apply when shipping material as EI exhibit:

- Special care must be taken to cap/package material immediately upon removal from the system to prevent corrosion, contamination or other damage that may contribute to confusion or loss of possible cause factors.

- Do not attempt disassembly of material, make adjustments, or perform any type of cleaning.

- When contamination is suspected, forward samples of the fluid in a clean, sealed container.

- Forward all failed fragments. Do not try to reassemble. Wrap fragments separately to prevent damage by movement of one against another.

- When feasible, forward associated accessories, components, or material that may be suspected of contributing to the malfunction/mishap.

- Package all material to at least the same level of protection as RFI parts. Do not transport EI material loose in boxes or on truck beds or packaged with other items.

- Mark all containers and associated documents Engineering *Investigation*. On the DD Form 1348-1 (in the *Ship To* block), enter Investigation Material, the EI control number, or any other identifying numbers as directed by the CFA. Stamp or mark the notation EI in 3-inch letters on the face of the document without obliterating any vital data elements.

- Parcel post shipments must be registered. MPD 03, Military Standard Transportation and Movement Procedures (MILSTAMP) priority 1, is assigned to material being shipped for investigation. Reject code 754 is assigned for all MILSTAMP transactions involving investigations. Use document identifier BEI and condition code L on the DD Form 1348-1 shipment document. Enter the El control number on block P of the DD Form 1348-1. Include the contract number in the Remarks block of the DD Form 1348-1 and provide a copy to the NAVICP-Phil.

NOTE: Any material to be released to a contractor's representative or shipped directly to the contractor's plant must be processed through the supporting supply department. The supply department can issue the material on a custody basis only when authorized by the MECFA. Ship all DLR exhibits via the ATAC Hub for processing and transshipment to the commercial site.

Refer to OPNAV Instruction 4790.2 (NAMP) for additional information concerning EIs. The NAVSUPINST 4440.187 contains additional detailed policy and procedures for control of DLRs forwarded for investigations.

Contractor Maintenance Program

The Navy and Marine Corps have several contractor aircraft maintenance programs. Each program evolved with its own unique considerations and variations, resulting in many divergent programs. These programs include a mix of government and commercial requirements and introduce unique challenges for program management personnel. They include variations of standard depot level maintenance (SDLM) only, site O-level maintenance, I-level maintenance and supply support, and total O-, I-, and D-level maintenance and supply support. DOD Directive 4151.1 and SECNAV Instructions 4860.42 and 4200.27 establish uniform policies and procedures for planning, developing, and managing contractor maintenance programs, These instructions apply to all Navy and Marine Corps aviation activities that contract for or employ contractor maintenance for O-, I-, or D-level maintenance.

The use of contractor maintenance must be consistent with the effective and efficient accomplishment of the Navy and Marine Corps mission.

Normally, the use of contractor maintenance is instable mission environments such as training, test, or support functions. These programs must be structured to comply with OPNAV-approved maintenance plans, operational logistics support plans (OLSPs), and other applicable instructions pertaining to the maintenance and support of a specific system.

As a senior AK you may become involved in writing task statements for proposed maintenance contracts. The instructions listed above and additional information and guidance outlined in OPNAV Instruction 4790.2 will be beneficial.

Quality Deficiency Reporting (QDR)

This program provides maintenance and supply activities with a method for reporting deficiencies in new or newly reworked material that maybe attributable to nonconformance with contractual or specification requirements or substandard workmanship. Failures must have occurred at zero operating time, during initial installation/operation/test/check/turn-up, or first flight. Discrepancies discovered after the initial use do not qualify for QDR and should be reported as EIs, hazardous material reporting (HMR), or explosive mishap reporting (EMR), as appropriate. This program differs from the EI program in that it reports on possible deficiencies in quality assurance (QA) during the manufacturing or rework process. The goal of the QDR program is to improve the quality of work done by naval aviation depots, contractors, and subcontractors.

New material is material procured under contract from commercial or government sources or manufactured by an organic facility, and is considered new until it has been delivered, accepted, released for use, and proved in actual operation. Material under warranty will be considered new until the warranty expires. Reworked material is material overhauled, rebuilt, repaired, or modified by a government or commercial activity, but unproved in actual operations.

The procedures for preparing the exhibit for QDR are the same as for EI except the word QDR is used in place of EI Enter document identifier BQD and condition code L on DD Form 1348-1 used as the shipment document. Enter the QDR control number on block D of the DD Form 1348-1.

Additional information concerning reporting requirements, forms used, and procedures for QDRs may be found in OPNAV Instruction 4790,2 (NAMP),

Warranty Program

The *Federal Acquisition Regulation (FAR)* and the *Department of Defense FAR* (DFAR) supplement authorize the contracting officer to obtain warranties when buying supplies or services for the government. The purposes of a warranty in government contracts are as follows:

- To define the right and obligations of the contractor and the government for defective items and services
- To foster quality performance

Unless a waiver is authorized, each contract must contain warranties covering design and manufacturing requirements, defects in materials and workmanship, and essential performance requirements. These warranties will provide ample time after delivery of the equipment for the government to assess achievement of specification requirements and to make sure that the equipment is free from defects in materials and workmanship.

Warranty items will be repaired at the maintenance level that would normally repair such items if they were not under warranty. Warranty procedures accomplish the following actions:

- Allow repairs of warranted items to be accomplished in the same manner as repairs of nonwarranted items, with only minor changes to documentation procedures. (Example: Special indicators are documented on the maintenance action form (MAP) or facsimile to identify that the repair of a warranted item was accomplished.)
- Allow expeditious repair (EXREP) of warranty items to occur in the same reamer as nonwarranted items.
- Reserve the use of QDRs at the organizational and intermediate level maintenance activities for their intended purpose. (Example: Documentation of apparent deficiencies in construction/manufacture of repairables/consumables, instead of documentation of failures of items simply because they were under warranty.)
- Require the determination of any payback to the Navy to be the result of contractual liaison between Commander, Naval Air Systems Command (COMNAVAIRSYSCOM), NAVICP-Phil, and other Navy field activities with the applicable manufacturer representatives. Such determination will be based on

maintenance data system (MDS) data supplied by the Naval Sea Logistics Center and will be made after the repairs have been accomplished by fleet maintenance personnel.

Warranty identification depends upon whether the material is contractor-furnished equipment (CFE) or government-furnished equipment (GFE).

Aircraft and engine warranties cover the basic aircraft or engine and the CFE. The warranty markings and information are documented in the Miscellaneous/ History section of the aircraft logbook or engine's Aeronautical Engine Service Record (AESR).

The GFE items have a distinct and separate warranty. The warranty information is marked on the equipment and on any associated record cards. The work unit code assigned to GFE is usually 51000 or higher.

Naval Aircraft Tire Rebuilding Program

The NAVICP-Phil is responsible for centralized contracting for the rebuilding of naval aircraft tires. The NAVICP-Phil is also responsible for the complete administrative control of the rebuilding program. The cost of rebuilding a tire approximates to 36 percent of the cost of the new tire. Full participation of all activities in the rebuilding program will save a considerable amount of dollars.

It is the policy of the Navy that all aircraft tires are rebuildable. However, there are selected types of tires that are exempt from the rebuilding program because of technical or economic reasons. The types of tires that are not rebuildable are listed in the enclosure of FASOINST 13421.1.

The NAVICP-Phil is also responsible for the funding, allocation of rebuildable tires for rework and service, establishment of shipping procedures, and shipping logistics.

The user activities must exert the effort to generate repairable tires. Strict inspection and screening procedures must be performed in the determination of tires to be rebuilt. Inadequate screening of tires can result in shipping rebuildable tires to a Defense Reutilization and Marketing Office (DRMO) as scrap. In some cases, tires that should be marked as scrap are shipped to the rework facility.

The elimination of age shelf/service limits on aircraft tires, as well as the elimination of maximum rebuild level occurrences, makes good stock control and issue practices necessary. For both new or rebuilt tires, the oldest tires must be issued first. The date of manufacture is basis for issuing the tires. The date of rebuilding must not be used for issuing procedures. The tires are marked with the manufacture date included with the serial number. The serial number consists of a maximum of 10 characters (alpha or numeric). The first four characters is the date of manufacture in the form of a Julian date. Tires that are manufactured before this method have manufacturing dates separate from the serial number and are identified by month and year, or day, month, and year.

The system of color coding tires to indicate the manufacture date helps in the identification and issue processing. A strip of colored tape imprinted with manufacture date, and diamond shape to designate rebuilt tires, is applied around the circumference of the tire.

Tires that have been removed from aircraft and returned to the tire shop must be thoroughly inspected by a qualified inspector to determine their disposition. The appropriate condition code tag must be affixed to the tires as a result of the inspection. Rebuildable tires must be assigned condition code F and condemned tires with condition code H. Tires identified with condition code H will be shipped to the nearest DRMO or property disposal officer. Ship tires in condition code F according to the MRIL or via ATAC Hub.

FLEET READINESS ACTION GROUP (FRAG)

The FRAGs are fictional units established within each naval aviation depot. The FRAG is assigned responsibility to help the fleet achieve maximum aircraft readiness. The FRAG uses technical and logistics resources available at a NADEP using industrial and engineering resources in resolving critical supply support problems on an exception basis. The FRAG operations are limited to the weapons system supported by the particular NADEP, CFA, and depot repair point. When critical maintenance/material problems cannot be solved using normal procedures, contact the FRAG by naval message or telephone.

NAVAL INVENTORY CONTROL POINT-PHILADELPHIA RECLAMATION PROGRAMS

The overall NAVICP-Phil reclamation program consists of several subprograms. These programs are differentiated by the item undergoing reclamation (for example aircraft, engines, and so forth).

Definitions

The following are some of the terms commonly used in the reclamation program:

- **AMARC—** Aerospace Maintenance And Regeneration Center located at Davis-Monthan Air Force Base, Tucson, Arizona.

- **Component Reclamation (COMREC)—** The reclamation of required components from excess/obsolete NAVICP-Phil-managed repairable assemblies designated as reclamation candidates by NAVICP-Phil.

- **Emergency Removals—** The removal of material from stricken/stored aircraft from AMARC to satisfy issue group I or II requisitions.

- **Inviolate Aircraft—** Those aircraft from which emergency removals cannot be made without approval from the CNO per OPNAVINST 5040.8. These aircraft are not candidates for reclamation.

- **Master Save List—** This is a consolidation of the Navy and other DOD activity requirement lists. This list is prepared by NAVICP-Phil and used by the activity performing the reclamation of items.

- **Non-inviolate Aircraft—** Those aircraft for which CNO approval is not required for emergency removals. There is no requirement for replacing material removed from this aircraft.

- **Save List—** A listing prepared by NAVICP-Phil identifying the components to be salvaged. These components will be salvaged from the applicable aircraft, engines, repairable components, and end items of support equipment that is being reclaimed.

- Support Equipment (SE) Reclamation— The reclamation of required components from excess/obsolete end items of SE designated as reclamation candidates by NAVAIR/NAVICP-Phil.

Stricken Aircraft Reclamation and Disposal Program (SARDIP)

The SARDIP is the reclamation of required components from excess/obsolete aircraft. The SARDIP applies to the following specific aircraft conditions:

- Operable aircraft stricken from the operating inventory and designated by the CNO for reclamation. These aircraft are generally stored and reclaimed at AMARC. Other reclamation activities may be designated by Naval Air Systems Command.

- Crash/battle damaged aircraft that are not operable and which are stricken by CNO and reclaimed on site.

The NAVAIRSYSCOM assigns the SARDIP designators to both types of aircraft mentioned above. The master save list is used to identify the components to be reclaimed.

Reclamation in Lieu of Procurement (RILOP)

The RILOP applies to aircraft engines stricken by NAVAIRSYSCOM and designated for reclamation. These engines are assigned a RILOP designator by NAVICP-Phil, and redistribution action is taken by NAVAIRSYSCOM to position the engines at a designated reclamation site. The reclamation action is accomplished by using the master save lists.

Component Reclamation (COMREC)

This program applies to NAVICP Philadedelphia-managed repairable assemblies that are determined to be excess to total system needs by cognizant inventory manager. Reclamation is accomplished at the designated reclamation activity and by use of the NAVICP-Phil save list.

Support Equipment (SE) Reclamation

This program applies to NAVAIRSYSCOM/ NAVICP Philadelphia-managed support equipment items, included in the support equipment candidate list developed by NAVICP-Phil and NAVAIRSYSCOM, which have been designated as candidates for survey by the repair depot.

Emergency Removal

When required, NAVICP-Phil may pass to AMARC a fill or kill requisition requesting removal of a part from a stricken or non-inviolate aircraft in storage. Upon receipt of the request, AMARC determines if the material or substitute is available, In case of a substitute, NAVICP-Phil will determine if the item is acceptable. If the requisition is filled, AMARC provides the shipping information of the material to NAVICP-Phil.

When NAVICP-Phil desires removal of a part from an inviolate aircraft, an authorization must first be obtained from CNO. If the CNO authorizes the removal

of the part, the transaction is processed in the same manner as for non-inviolate aircraft.

In some cases, the CNO will advise that a payback is required for the removed item. In this case, AMARC will advise the type, model, and series (TMS) and serial number from which the part was removed and initiate a payback requisition.

FLEET-CONTROLLED MATERIAL

The items designated as fleet-controlled material are under the distribution, reporting, requisitioning, rationing, and issue control of air type commanders or designated agents. These type commanders (TYCOMs) are the COMNAVAIRPAC, COMNAVAIRLANT, CNATRA, and COMNAVRESFOR. The list of items included as fleet-controlled maybe found in the consolidated fleet-controlled material list (CFCML). Customers must submit requisitions for fleet-controlled items to NAVICP-Phil via Defense Automated Addressing System (DAAS). The retrograde material is processed according to the type commander's directives and the MRIL. If the NRFI turn-in is beyond the repair capability of the activity, a beyond capability of maintenance (BCM) authorization is requested from the TYCOM via a naval message. When submitting the request to perform a BCM 4 actions, provide the following information to the TYCOM:

- National item identification number (NIIN) of required item(s)
- Document number(s)
- Quantity of material
- Latest status of the requisitions

Refer to FASOINST 4000.7 for additional information concerning fleet-controlled material procedures. The procedures for rationing control of aeronautical material are described in the type commander's instruction of 4470 series.

AVIATION MAINTENANCE MANAGEMENT TEAMS

The mission of the aviation maintenance management teams is to advise and assist activities on a scheduled basis by identifying maintenance program deficiencies, recommending performance improvements, and providing training. This mission is viable in today's increasing complex maintenance and material management programs. It has been expanded to involve upline commanders who are responsible and accountable for operational readiness, material readiness, and material support. To evaluate performance and identify areas needing improvement, activity performance levels must be established using statistical methods. The performance improvement process is based on a local plan and implementation of actions to achieve the objectives of the plan. To evaluate and assist activities in the performance improvement process, performance improvement teams and performance assistance teams are established at ACCs/TYCOMs. The ACC/TYCOM will schedule each activity to be inspected. Commanding officers may request the assistance of either team between regular scheduled times, if necessary.

Performance Improvement Teams

Generally, performance improvement teams consist of an aviation ground maintenance officer and various E-7, E-8, and E-9 Navy and Marine Corps aviation maintenance and supply personnel.

Performance improvement teams inspect and evaluate an activity's performance level and its ability to achieve CNO goals and objectives in areas of readiness, safety, and deployability. The evaluation includes the following:

- An inspection of NAMP compliance
- A performance level assessment based on measurements of efficiency, effectiveness, quality, budget status, innovation, quality of work life, and productivity
- The effects of leadership on achieving mission accomplishment through optimum use of manpower, material, machinery, methods, and environmental factors
- The level and quality of involvement among supporting and supported activities

This evaluation is made while the activity is continuing routine operations and maintenance. All commands or organizational units within an activity's operational and administrative chain, such as carrier air wings (CVWs), marine aircraft groups (MAGs), aircraft intermediate maintenance departments (AIMDs), and aviation support divisions (ASDs), attend the pre- and post-inspection briefings. Based on the findings, recommendations are submitted via the chain of command.

Performance Assistance Teams

Performance assistance teams are available upon request or as directed by the ACC/TYCOM to provide assistance and training to activities in evaluating and improving their performance levels. This assistance includes techniques in performance measuring, strategic planning, and removal of roadblocks hindering mission accomplishment. The teams will conduct an in-depth performance evaluation of the activity. While assisting an activity, supporting and supported activities are usually included. The teams identify performance improvement opportunities and assist in implements- tion of performance improvement actions.

AVIATION DEPOT LEVEL REPAIRABLE (AVDLR) MANAGEMENT

Strict compliance to procedures is a must during the requisitioning, turn-in, and carcass tracking process of AVDLRs. Managing repairable material has become increasingly important to the Navy. While the number of consumables managed by the Navy has declined, the number of repairable has increased. Because most repairable items are high cost, intensive management is required.

A two-priced structure was established for DLRs. hey are the standard price and net price. The price charged depends on whether or not there is a related NRFI turn-in. The standard price is charged if there is no turn-in available. The net price is charged for DLR requisitions that have a turn-in. The net price includes the repair cost, replacement fee (for condemned turn-in), and surcharges. The difference between the two prices is the carcass value. The Management List-Consolidated (ML-C) information of the Federal Logistics (FED LOG) data on compact disc contains the prices of DLR items.

REQUISITIONING

Depot level repairable (DLRs) are designated Appropriations Stores Account (APA), Navy Stock Account (NSA), or interim supported based on the cognizance symbol assigned.

In general, each requisition for an NSA DLR will require a creation of a financial obligation of end-use funds. The following transactions do not require an obligation of end-use funds:

- Stock replenishment requisitions for Special Accounting Class (SAC) 207 units that have not converted to end-use
- Re-AVCAL, re-SHORCAL, re-COSAL requisitions for activities using end-use procedures

Price Obligation

The price obligated is the net price when an exchange turn-in is or will be made. The standard price will be obligated when there is no turn-in. The APA and interim support DLRs are requisitioned at standard price but do not require a financial obligation. Both APA and interim support DLR requisitions do not result in an expenditure of end-use funds.

Use the Military Standard Requisitioning and Issue Procedures (MILSTRIP) when ordering DLRs from the supply system. Requisitions from an end-user maybe submitted by using a DD Form 1348 (6 pt), NAVSUP Form 1250-1, or electrical means (computer). The common method of submitting requisitions off station or off ship is by message via DAAS. High priority requisitions may be transmitted by telephone.

Advice Codes

An advice code is a mandatory entry in requisitions for DLR items. The advice codes used for requisitioning DLRs are 5A, SD, 5E, 5G, 5R, 5S, 5V, 5W, 5X, 5Y, 52,53,54,56, and 57. The definition of these advice codes are listed in NAVSUP P-437, NAVSUP P-485, and NAVSUP P-545. Requisitions that are submitted with invalid or missing advice codes will be rejected with status code RK.

OUTFITTING

The Naval inventory control points (NAVICPs) develop allowances for ships and shore stations periodically. The allowances are developed based on the equipment/aircraft to be supported during the next operating cycle. These allowances are tailored to each activity and published in the following forms:

- Aviation Consolidated Allowance List (AVCAL)
- Shore Consolidated Allowance List (SHORCAL)

In addition to the allowances discussed above, the NAVICPs also provide Maintenance Assist Modules (MAMs) and Test Bench Installations (TBIs). The

drawdown requisition for each type of allowance is described in the next paragraphs.

Drawdown Requisitions for AVCAL

The central outfitting funds are charged for drawdown requisitions of the initial or increase in AVCAL allowances of NSA DLRs. After converting to end-use, drawdown requisitions are submitted to NAVICP-Phil. Submit requisitions using demand code N, signal code C or L, advice code 5D, and fund code QZ for 7R Cog items. Requisitions for APA DLRs must cite demand code N, advice code 5D, and fund code Y6. Submit requisitions for APA DLR items via normal requisitioning channels.

Drawdown Requisitions for SHORCAL

The drawdown requisitions for initial or increased SHORCAL allowances for NSA DLRs are chargeable to central outfitting funds held by NAVICP-Phil. Submit drawdown requisitions to NAVICP-Phil with demand code N, advice code 5D, and fund code QZ for 7R Cog items.

Drawdown requisitions for APA and 0_ Cog DLRs must cite demand code N and advice code 5D. Use the fund codes with the appropriate cognizance symbol. Use fund code 26 in requisitions for APA DLR items. Use fund code Y6 in requisitions for interim support (0_ Cog) DLR items.

Maintenance Assist Modules

The items designated as Maintenance Assist Modules (MAMs) for aviation applications are not included in the activity's AVCAL or SHORCAL as part of fixed allowance. Most MAMs are 7R Cog items and are used as support equipment, Initial outfitting of MAMs are identified through the AVCAL or SHORCAL process at NAVICP-Phil. The MAM requirements are *pushed* by NAVICP-Phil and are centrally funded at NAVICP-Phil by central outfitting funds. The supply officer receiving the initial outfitting MAMs *pushed* by NAVICP-Phil must issue them on custody of the Intermediate Maintenance Activity (IMA). Replacement of a MAM DLR can be accomplished by using the normal requisitioning procedures. The policy and procedures for MAMs are described in FASOINST 4790.1.

Test Bench Installation

The items designated as test bench installation (TBI) are similar to those black boxes installed in aircraft for which the test bench is designed to test and check. The TBI items are identified during the AVCAL or SHORCAL process at NAVICP-Phil, but they are not included as part of the fixed allowance. The initial outfitting requirements for TBI items will be *pushed* by NAVICP-Phil to the activity. Upon receipt of TBI items by the activity, the supply officer assigns their custody to the IMA. Items designated as TBI are not carried in the stock record of the supply department.

DLR TURN-IN

Turn-in of DLRs because of excess in allowance, NRFI retrograde, or material transfers must be processed properly. Improperly processed DLR turn-ins can delay carcass processing and affect readiness because of a decrease in asset availability. Loss of DLR turn-in during shipments could deprive the TYCOM or activity's operating budget from receiving a credit. Losses may also create additional charges to the activity's operating fund; whereas, the activity is charged the standard price instead of the net price. Furthermore, DLR losses could require the NAVICP to spend DBOF funds to buy new replacement items.

Exchange Related

In support of the one-for-one concept, an NRFI DLR is turned-in as an exchange for the requisitioned item. The NRFI DLR is returned to the supply system on a DD Form 1348-1 or DD Form 1348-1A with document identifier BC1/BC2. All the associated documents, records, or logbooks must be attached to the material being turned-in. Use management code E and the document number of the replacement requisition on the shipping document. This document number will be used to match the requisition and turn-in document numbers in the NAVICP carcass tracking record (CTR). The turn-in is shipped to the nearest ATAC Hub or to the designated support point (DSP) if the activity is not under ATAC or the item is excluded from shipment under ATAC.

Excess

Repairable items in excess of the fixed allowance are turned-into the supply system. Excess condition is a result of fluctuating demand pattern, decrease in

supported number of aircraft or equipment, or recomputed AVCAL or SHORCAL.

RE-SHORCAL.— Excess DLRs to the new fixed allowance as a result of re-SHORCAL process must be identified and expended. Expend the excess DLRs from the W purpose. For an activity that performs a Transaction Item Report (TIR), process the excess items as follows:

- Pick up the excess items in A purpose (wholesale).
- Report the transaction to the NAVICP using a D6. document identifier transaction with project code RDE, management code C, and an appropriate fund code. Use fund code QZ for 7_ Cog items. For APA Cognizance items, use fund code 26. For 0_ Cog items, use fund code Y6.

Non-TIR activities ship excess material to the nearest TIR activity. The shipping document is prepared as follows:

- Leave the document identifier block blank,
- Use project code RDE,
- Use management code C,
- Use the fund code in the same manner as in re-SHORCAL excess.

NOTE: Credits granted for turn-ins with fund code QZ will go to the central outfitting account maintained at NAVICP-Phil to satisfy outfitting deficiencies created by movement of aircraft between activities.

STOCK REVIEWS.— Stock excess reviews of materials in W or L purpose must be conducted on a regular basis. Material identified as excess is expended from inventories. Transaction Item Reporting (TIR) activities must pick up the excess items in A purpose (wholesale) and submit the TIR to the NAVICP. The TIR must be submitted with a document identifier D6_, project code RDE, and management code C. For 7_ Cog items, use the same fired code that is being used locally. For APA Cog items, use fund code 26. Use fired code Y6 for 0_ Cog items.

NOTE: The local fund code used for excess will direct any credit granted by the NAVICP to the operating budget/TYCOM.

Non-TIR activities ship excess material to the nearest TIR activity on a DD Form 1348-1 or DD Form 1348-1A, The document identifier of the shipping document must be with a blank. Use project code RDE, management code C, and the appropriate fund code for the cognizance symbol of the material as described above.

RE-AVCAL.— Excess material is identified after updating the basic material file with the revised AVCAL allowance. Offload and turn-in excess material to the nearest TIR activity using the DD Form 1348-1 or DD Form 1348-1A as the shipping document. Assign document identifier RDE the management code Con the shipping document. For 7R Cog items, use fund code QZ. Use fund code Y6 for APA and 0_ Cog items.

If the item being turned-in is a 7_ Cog, annotate the shipping document with *NRFI or RFI DLR TURN-IN FOR POSSIBLE CREDIT* in the remarks block (AA-BB).

Engineering Investigation (EI)/Quality Deficiency Report (QDR)

An engineering investigation (EI) is a report of material failures. The quality deficiency report (QDR) is a report of the deficiency of new or newly reworked material. Return EI/QDR material exhibits via the ATAC Hub transportation channels on a DD Form 1348-1 or DD Form 1348-1A turn-in document. Use document identifier BEI (for EI) and BQD (for QDR) on the turn-in document. Annotate condition code L in record position 71/B1ock P of the DD Form 1348-1 turn-in document. Put the assigned EI/QDR control number in Block D of the DD Form 1348-1 turn-in document. Additional turn-in requirements are as follows:

- Ensure all documents accompanying the material exhibit contain the EI/QDR control number.
- Attach an EI/QDR label to the container of each material exhibit. These labels come in two different sizes: 1” x 18” (NAVSUP Form 1398) and 1” x 6” (NAVSUP Form 1398-1).
- Mark all accompanying paperwork with EI/QDR.
- Use the same document number as the replacement requisition on the turn-in document to complete the carcass tracking loop. Do not use the document number under which the deficient material was originally received on the turn-in document. If the turn-in document number does not match the replacement requisition, submit an advance BK2 with response code B to the NAVICP. Refer to NAVSUP

P-437, NAVSUP P-485, or NAVSUP P-545 for the BK2 document format.

Weapons Replaceable Assembly (WRA) Turn-in

A weapons replaceable assembly (WRA) must be turned-in as a complete unit. If a shop replaceable assembly (SRA) is missing, the activity that turned-in the WRA will be billed for the SRA if no turn-in for the SRA is recorded.

The naval aviation depot or other repair facility submits the replacement requisition for the missing SRA. The requisition will have an advice code 5G if the activity who turned-in the WRA can be identified. An advice code 5A will be used when the activity who turned-in the WRA cannot be identified. If the turn-in activity can be identified through any of the accompanying documentation, the repair facility sends a variance report to the NAVICP. The variance report includes the following information:

- National stock number (NSN) of the WRA,
- turn-in document number of the WRA,
- NSN and nomenclature of the missing SRA,
- turn-in document number of the missing SRA (if available), and
- requisition number for the replacement of the missing SRA.

The NAVICP uses the information in the variance report to search the carcass tracking record (CTR) if the missing SRA was turned-in. If a turn-in is recorded in the CTR, the carcass tracking loop and additional billing on the repair facility's replacement requisition is closed. If no turn-in is recorded, the NAVICP sends a follow up to the activity that turned-in the WRA requesting information on the SRA. If the turn-in activity cannot provide the information, the activity will be billed for the value of the missing SRA.

Advanced Traceability and Control (ATAC)

The ATAC program has simplified the DLR retrograde process. The ATAC program provides the following efforts:

- Provides traceability and accountability
- Establishes consolidation and shipping nodes and centralize processing Hubs
- Ensures processing of TIR for retrograde material to the NAVICP
- Reduces carcass tracking follow-ups
- Reduces delays in transportation and processing
- Provides database of information for tracking retrograde from receipt in ATAC to delivery to designated repair point (DRP)/designated support point (DSP)

Refer to NAVSUPINST 4421.20 for detailed information on the ATAC program.

CARCASS TRACKING

The carcass tracking program ensures accountability and return of repairable retrograde in the Navy supply system. Repairing a non-RFI depot level repairable (DLR) item is less expensive than buying a new replacement item. In most cases, it is also faster to repair than to buy the items. Since DLR items are expensive and need a long procurement lead time, repair of non-RFI DLRs become the main source of replenishment. Therefore, it is imperative that non-RFI DLRs be returned according to the procedures in NAVSUP-P 545. Delay or erroneous shipment of a DLR retrograde adversely affects material availability and impacts the Navy's readiness.

Definitions

Some of the terms specifically used in the carcass tracking program are listed in the following definitions. Knowing these terms will help you learn and understand the scope of the program easier.

Freight agent—A commercial activity under contract to the Navy. The freight agent at Nodes is responsible for the DLR receipt and consolidation and forwarding the DLR to the Hub. The agent at the Hub is responsible for processing the DLR receipts and subsequent delivery to DRP/DSP. Additionally, the freight agent maintains the transportation data for information and research.

Hub—A Navy-operated facility that provides verification of a drawing/part number to the stock number of the DLR item. The Hub prepares and submits a report of discrepancies for discrepant receipts. The Hub also determines the DRP/DSP of the item and repacks material for shipment. After processing the receipt of a DLR, the Hub submits the transaction item report (TIR) to close the carcass tracking.

Node-A DLR collection, consolidation, and transshipment point. The Node may be operated by a freight agent or government personnel. The Node does not perform validation of&awing/part number to stock number or submit a TIR.

Managing the Turn-in

Strict discipline in tracking the movement of DLRs is required at all supply system activities. The local procedures must include monitoring of the DLR from the time of requisition to the disposition of the turn-in. The supporting supply activity must monitor the DLR turn-in throughout the repair cycle in the intermediate maintenance activity (MA). If the IMA repairs the NRFI turn-in, the repaired item is returned to stock to replace the asset that was issued to the customer. 'Ibis process is considered as a closed *loop with* all actions completed within the activity and does not require a system carcass tracking.

System Carcass Tracking

A total system carcass tracking is required when an NRFI turn-in cannot be repaired locally and must be returned for repair at the depot repair facility. The total system carcass tracking procedures also apply to the DLR requisitions that are passed off station. These requisitions are passed off station to replenish stock assets or for direct turn over (DTO) to the customer, The DTO requisitions are submitted because the requisitioned item is not in stock/not carried (NIS/NC) in the supporting supply activity. The DTO requisition is submitted to the stock point or the inventory control point. The total system carcass tracking employs automated procedures involving CTRs to record the actions necessary for effective monitoring.

Carcass Tracking Records (CTRs)

The carcass tracking records (CTRs) are the data records for information essential to the effective tracking or monitoring of DLR carcasses. Carcass tracking records are established at the NAVICPs and user (customer) activities that stock and issue DLRs.

NAVICP CARCASS TRACKING RECORD.— The purpose of the NAVICP CTR is to record and store data that applies to the issue/return of DLRs to provide proper inventory accounting of carcass returns. This record serves as the basis to monitor the DLR carcass turned-in by the user (customer). The NAVICP uses this record to determine if other actions should be performed concerning outstanding carcass turn-ins. Some of these actions include generating follow-up inquiries and forwarding additional billings to the customers.

Each NAVICP maintains a master CTR containing transactions received from user (customer) activities. These transactions relate to the issue/receipt of DLRs under the NAVICP's cognizance and a NRFI DLR turn-in has been or will be turned-in as an exchange for an RFI DLR. All transactions and reports citing an exchange advice code received by the NAVICPs are recorded on the CTR and will open a record on the carcass tracking file. These transactions are identified with document identifiers **A0_** (requisitions), **A4_** (referrals), **D7_** (issue TIR), **B7A** (non-TIR issue reports), **D6_** (receipt TIRs), **D6R** (shipment notification), and **FTA** (automatic material returns to other services). In essence, an issue transaction or requisition citing an exchange advice code will open a record on the NAVICP's CTR. The matching receipt of NRFI turn-in transaction record reported by the DRP/DSP to the DRP will close the CTR.

If records are not closed within the specified time frame, NAVICP-Phil will send a follow-up inquiry using document identifier BK1 to the requisitioner. The time frame for sending the follow-up for requisitions citing advice codes of 5G, 5V, or 56 starts from the date of requisition. For requisitions with service code N, NAVICP-Phil sends the follow-up 45 days from the requisition date. For requisitions with R or V service code, NAVICP-Phil sends the follow-up 60 days from the date of the requisition. The NAVICP-Mech sends the follow-up 90 days from the requisition date.

The time frame for sending the follow-up for requisitions citing advice code of 5R, 5Y, 5S, or 52 starts from the date of issue of an RFI DLR. For requisitions with an N service code, NAVICP-Phil will send the follow-up 45 days from the issue date of the RFI DLR. For requisitions with service code R or V, NAVICP-Phil sends the follow-up 60 days from the issue date of RFI DLR. The NAVICP-Mech sends the follow-up 90 days from the issue date of RFI DLR.

If the requisitioner fails to provide a satisfactory response to the BK1 follow-up inquiry, an additional billing to cover the carcass value could result. If the CTR shows that a transshipper is involved, the NAVICP sends a BK5 follow-up inquiry to the transshipper instead of a BK1 to the requisitioner.

USER ACTIVITY CARCASS TRACKING RECORD FILE (CTRF).— User activities use this file

to store data that may be required to respond to NAVICP's follow-up inquiry. The primary data in the CTRF is the proof of turn-in or shipment of DLR carcasses. The CTRFs established in other activities may vary according to the operating system being used. Normally, records are established in the CTRFs when a customer submits a DLR requisition citing an exchange advice code. Under mechanized procedures, the CTRP records are established on the file via the mechanized Master Repairable Item List (MRIL). The records in mechanized procedures are updated with shipping data input by shipping personnel. User activities using the manual method develops the local procedures for maintaining and using the CTRF. User activities use the information in the CTRF to respond to the NAVICP's follow-up inquiries.

TRANSSHIPPER/HUB ACTIVITIES CTRF.— This record contains information on receipts of NRFI DLRs from user activities. The records of receipt also include the corresponding "issue" when the NRFI DLRs are transshipped to the DRP/DSP. Some transshipper activities are also the DRP/DSP, in which case the NRFI DLR is taken up in F condition stock. These transactions are recorded in the transshipper's CTRF for reply to potential BK5 follow-up from the NAVICP. Transshipper activities respond to the follow-up by using the BK6 document.

Carcass Tracking Documents

When a transaction remains open in the NAVICP's CTR after the specified time frame, the NAVICP initiates a carcass tracking action. The first transaction the NAVICP sends is the BK1 follow-up inquiry to the requisitioner when the NAVICP CTR shows NRFI DLR turn-in is outstanding. The requisitioner is required to respond to the BK1 by submitting a BK2 document indicating the status of the NRFI DLR turn-in. Depending upon the response code on the BK2 document, the NAVICP CTR may close the record or process an additional billing.

If the NAVICP rejects the BK2 from the activity, the NAVICP will create a new document (BKR) with an appropriate reason code in record position 65. The BKR document is used by the NAVICPs to reject BK2 documents submitted by an activity for which neither a record of receipt nor shipment of an NRFI DLR is recorded. Consequently, the NAVICP will send the BKR document to the applicable activity.

If the activity does not provide an acceptable reply to the BKR, the NAVICP will send a BK3 document to the activity. A BK3 is a notification of additional billing for the carcass value of the NRFI DLR. The activity may respond to the BK3 document with a BK2 reply if proof of NRFI DLR turn-in can be established; if not, the additional charge will stand.

The additional billing may be reversed by the NAVICP. If the NRFI DLR turn-in has been made, the NAVICP may process a reversal to the BK3 and notify the applicable activity. In this case, the NAVICP sends a BK4 (reversal of the additional billing notification) document to the applicable activity.

Carcass Track Aids

The automated supply system provides listings, printouts, and reports that help in the carcass tracking of DLRs. Since procedures change, you should familiarize yourself with the most updated versions and formats of these materials. Some of these carcass tracking aids are described in the following paragraphs.

INCOMPLETE DLR REPORT (IDLRR).— In an activity using the automated system, an external carcass tracking starts when a DLR is issued to a requisition with an exchange advice code. The referral of a DIU requisition (DI A0_) with an exchange advice code will also start external carcass tracking.

If the activity makes the issue to a supported unit (DI X31), the activity will be tracked for the carcass. If the issue is made to a nonsupported unit (DI X34), this unit or the supporting receiving activity for the unit will be carcass tracked.

When the issue or DTO requisition documents are processed, they will create a record for Report 57 in a DI B7A format. Report 57 is submitted to the NAVICPS monthly. The B7A document will not process to the Report 57 until the corresponding DTO receipt (DI X71) is processed. The B7A document will start the carcass tracking at the NAVICP Philadelphia and Mechanicsburg.

NOTE: For DI X34, the receiving activity's unit identification code (UIC) will be in the B7A for the NAVICP to carcass track the receiving activity and not the issuing activity.

When you process a DI X31 or A0_ (DTO) transaction, a BCM counter will be set in the computer system and a skeletonized BCM data will be generated. The skeletonized BCM data must be updated by you with firm shipping data and reinput to the computer. When the BCM is reentered to the computer, it will clear the BCM counter and record a

D6R document on the Report 57. When Report 57 is sent to the NAVICP, the document D6R will turn off carcass tracking to your activity.

Refer to the applicable automated systems procedures for producing the IDLRR and how to clear the records when the DLR flag is set.

DLR PRINT.— This document provides a DLR transaction report for carcass tracking and turn-in. The report will list selected repairable tracking file (RTF) records for which there is an off-ship requisition in the requisition file. It is also used as an internal report for carcass tracking audits. The computer system uses the DLR indicator settings to produce this report. In the basic requisition file, the DLR indicator of D means the item is a DLR and requires carcass tracking. The DLR indicator C means the item is a mandatory turn-in repairable other than DLR and does require carcass tracking. The DLR print consists of three parts. Part I is a list of RTF records with a DLR indicator of D. Part II is a list of RTF records with DLR indicator of C. Part III list those requisitions for DLR stock replenishment that have been deferred.

Labels for DLR Material

The purpose of the standardized labels throughout the DLR pipeline is to enhance DLR visibility. Proper identification of DLR items facilitates material movement and processing. The DLR labels are standardized (3" x 5" or 2" x 3") with a distinctive blue background and yellow lettering. These labels are available from the Navy supply system stock as NAVSUP Forms 1397 and 1397-1.

AVIATION CONSOLIDATED ALLOWANCE LIST

The aviation consolidated allowance list (AVCAL) is developed and published by the NAVICP-Phil. The AVCAL lists the range and depth of aviation material that is authorized to be stocked by a ship to support maintenance and operations of embarked aircraft. The AVCAL incorporates consumer level requirements that are in agreement with approved maintenance plans and are tailored to each using activity. The fixed allowance requirements included within the AVCAL are negotiated with the NAVICP, cognizant TYCOM, and user activity at AVCAL quality review conferences (AQRCs). The result of the AQRCs will ensure propositioning of retail stocks at the operating site to provide adequate material support. The intent of the AVCAL is to provide optimum ship's effectiveness and aircraft operational readiness in a combat environment.

NOTE: Ashore activities use a shore-based consolidated allowance list (SHORCAL) in place of the AVCAL. Both procedures are basically the same. The SHORCAL is ordinarily associated with consumer level support for aviation depot and field level repairable. However, the SHORCAL includes both consumable and repairable allowances when initially established for an operating site. Subsequent SHORCAL requirements for consumable items must be for new aircraft or a weapons system.

TERMS AND DEFINITIONS

The following paragraphs discuss some of the terms peculiar to the AVCAL

- Allowance Change Request-Fixed (ACR-F) is the document submitted to NAVICP-Phil by the operating site requesting a change in quantity to a fixed allowance. ACR-Fs are submitted on NAVSUP Form 1375.

- Allowance Requirements Register (ARR) is an allowance document containing potential range and depth of aviation material to support maintenance requirements anticipated during a 90-day period. It is based on estimated reliability factors or failure rates derived from actual system-wide usage.

- Beyond Capability of Maintenance (BCM) is an action taken by IMAs when repair is not authorized at that level or when an activity is not capable of doing the repair because of a lack of equipment, parts, facilities, technical skills, technical data, and so forth. Refer to OPNAVINST 4790.2 for a list of BCM codes.

- Deckload includes total aircraft and equipment types and numbers embarked on a particular ship.

- Endurance Period is the length of time, expressed in months, a consumer level inventory is required to support an operating site's mission without resupply.

- Fixed Allowance is an authorized level of repairable regarded as the maximum level of inventory to be maintained.

- Maintenance Support Packages (MSPs) contain consumable, low-cube, nonhazardous maintenance items that are maintained in MSP cabinets. Under the fleet aviation logistics support center (FALSC),

shipboard aviation stocks are off-loaded to designated naval air stations for inventory management purposes. MSP material is stored in designated cabinets in mockup staging areas. The MSP cabinets will be positioned on the ship at the time of re-AVCAL.

- Operational Support Inventory (OSI) is the quantity of prepositioned material required to support the planned aircraft program and maintenance mission of an operating site. The OSI is composed of "fixed allowance" for DLR and FLR as well as "fixed" operating level for consumables.

- Order and Shipping Time (OST) is the interval between the time a stock point processes a stock replenishment requisition to a supplier and receipt of an NAVICP (supplier) in-stock item. The OST is currently fixed at 17 days.

- Supplemental Aviation Spares Support (SASS) is commonly retimed to as a pack-up kit that is required to support detached aircraft operations. The SASS is composed of DLR and FLR items. Authorized SASS require \ments are considered additive to an operating site's fixed allowance.

- The Weapons System Planning Document (WSPD) is a policy and planning document produced by NAVAIR. The WSPD provides the guidance necessary for the acquisition and logistics support of naval aircraft. The WSPD provides the number of aircraft at each site, levels of maintenance capability, pack-up requirements, carrier schedules, rotational aircraft assignments, and approved flying hours.

OSI REQUIREMENTS DETERMINATION

The community approach is used in determining the OSI requirements. This process is used for both repairable and consumable items as described in the following paragraphs.

Consumable Items

In a community approach, consumable requirements are determined by using the Ship's AVCAL Asset Demand Tape (SAVAST) from carriers that are supporting the same aircraft and equipment, including those undergoing re-AVCAL. This method is designed to maximize the range for irregular demand patterns. This method also minimizes the establishment of new items for the purpose of recording its number of demands. The community SAVAST process includes taking data from four recently deployed aircraft carriers and data characteristics off the SAVAST undergoing re-AVCAL and creating, a combined SAVAST. Items on the SAVAST that have positive average monthly demand (AMD) and are not applicable in NAVICP-Phil tiles are included in the preliminary products.

Repairable Items

A new technique has been implemented to determine the repairable fixed allowances for carriers/amphibious ships. Essential] y, the collective 3-M experience gained from recently deployed aircraft carriers is used as the basis to determine the baseline fixed allowance. In this manner the usage experience during deployment of all aircraft carriers is considered rather than that of a single carrier. Baseline fixed allowance is considered the standard aircraft carrier allowance and is incorporated into the preliminary AVCAL. Changes to the baseline fixed allowance formulate the basis of negotiations at the AQRC.

Initial Outfitting

The ARR columnar quantity is selected for AVCAL inclusion for weapons systems not previously supported.

Applicable Constraints

The attrition allowance quantities for items with identical ARR application on the previous and current AVCAL and reflect zero usage will be reduced to one. Protected aircraft and weapons systems are not subject to constraints. When requested by the type commander, additional exceptions to the constraint program maybe applied.

Preliminary Requirement

Stock levels developed from the mechanized requirements process are used as the point of departure in AVCAL negotiations. The established allowance or revisions during Readiness Improvement Program (RIP) reviews will be included into the preliminary AVCAL and be considered as NAVICP-Phil recommended quantities.

Readiness Improvement Program (RIP)

During the RIP, specifically selected aircraft/ systems are reviewed to identify logistics problems. As

a result of the RIP, some allowances at an operating site may or may not get adjusted. Increases in depth and additions to the range to the ship's allowance are implemented during the re-AVCAL.

Preliminary AVCAL Aids

The Naval Inventory Control Point-Philadelphia (NAVICP-Phil) forwards the preliminary AVCAL review aids to the applicable ship and cognizant TYCOM 45 days before the scheduled conference date.

AVCAL Quality Review Conference (AQRC)

The NAVICP-Phil convenes the conference to negotiate the allowance requirement of the operating site. The information in the site's maintenance data collection system is the primary element in negotiations of repairable items. The information includes the number of items processed as BCM, items repaired, and the TAT of repairs. The NAVICP-PMI adjusts the preliminary requirement levels to reflect the negotiated allowance. Authorized changes will be incorporated in the final AVCAL products that are forwarded to the operating site.

NOTE: The ACR-F is used to request an increase or decrease in allowance after the re-AVCAL.

Miscellaneous Requirements

Other OSI requirements include the industrial support package (ISP) and the supplemental aviation spares support (SASS).

The ISP is designed to provide an 8-month range and depth support for an aircraft carrier's LRCA and is currently incorporated in the community SAVAST.

The SASS is supplemental and not additive to the operating site's AVCAL quantity. These requirements are based on several factors, as follows:

- The level of repair
- The number and type(s) of aircraft to be supported
- Predicted removals
- The flying hours expected over an endurance period

LEVEL OF REPAIR.— OverhauI, repair, and maintenance of aeronautical material and weapons systems are performed within the broad guidelines of three levels of maintenance. They are the organizational, intermediate, and depot levels. A list of aircraft maintenance functions classified to the maintenance levels is provided in OPNAV Instruction 4790.2. It is important that you have a thorough knowledge of the maintenance that can be performed by your particular activity.

Organizational Maintenance.— The classification of O-level maintenance is applied to those maintenance functions normally performed by an operating unit on a day-to-day basis of its own operation. O-level maintenance can generally be grouped to include aircraft inspections: servicing, handling, removal and replacement of defective parts and components; aircraft service changes and modifications; and necessary recordkeeping and reports peculiar to O-level maintenance.

Intermediate Maintenance.— The I-level maintenance includes the repair and test of aircraft components and items requiring shop facilities and/or skills and equipment not available in O-level maintenance activities. Incorporation of aircraft service changes and modifications beyond O-level capabilities is also a function of I-level maintenance.

Depot Maintenance.— The classification of D-level maintenance is applied to those functions performed at industrial-type activities such as naval aviation depots (NADEPs). The NADEPs are normally located at major air stations and perform overhaul and major rework on aircraft, engines, and components on a scheduled basis as directed by NAVAIR. They also perform a customer service program for nonscheduled overhau/repair on components to satisfy not mission capable supply (NMCS) requirements.

Change of Maintenance Level.— When the maintenance level designation of an activity is changed, the range of supporting repair parts carried in stock as well as the equipment is involved.

A change to a higher level of maintenance requires additional spare repair parts. It is also possible that the supply level could be changed at the same time. Each NAVAIR outfitting and allowance list in use is screened carefully to make sure that all items required to support the higher level are procured.

A change to a lower maintenance level involves almost the same steps except in reverse manner. Many of the items required for support of a higher level are no longer required or allowed. Therefore, they must be returned to the supply system, and the equipment will normally be transferred to another activity for use.

Aircraft Types and Equipment Supported

The number and type of aircraft, including major equipment to be supported at the time of AVCAL or re-AVCAL, include all aircraft currently on station. Any additional aircraft or systems (numbers and/or types) whose initial Navy support will occur within 6 months after the requisition drop date must also be included in the AVCAL or re-AVCAL product.

Flight Hours Anticipated

The number of flight hours anticipated during a given period must be known before any effective planning can be done. The NAVAIR 00-35QB series of outfitting list shows the quantity, by aircraft type, of each item based on the number of anticipated flight hours.

In addition, there are several components that must be changed after a stated number of flight hours. These items are referred to as high-time removal. These items vary with aircraft type and modification. Each item designated as a high-time component has a service record card (SRC) with it. The SRC is attached to each component at all times except when the component is installed in an aircraft.

Aircraft engines are prime examples. Before a squadron reports for an extended deployment, you need to know how many engines will require change because of high time during the deployment. Normally, you add one or two additional engines to replace those that are damaged by FOD or contamination and arrive at the total number of engines that will be required. The total number of engines to be carried on board to support the air wing will be determined by the TYCOM, based on recommendations of the ship and air wing.

Stock Objective

The stock objective is usually stated in terms of 90-day increments. Stock levels at ashore activities are set for each category of material by the controlling item manager (IM). Stock levels afloat are set by the type or area commander.

AVCAL Schedule

Ships will be re-AVCAL'd before each deployment. Supplemental AVCALs to handle the addition or deletion of an entire aircraft type, or major avionics systems, will be provided upon request by the user and endorsement by the TYCOM.

The AVCAL schedule is a listing of actions required by applicable activities in relation to the number of days before the work-up schedule. Refer to FASOINST 4441.15 for complete AVCAL schedule of milestones.

Source Documents

The AVCAL process begins with the creation of deployment schedules and configuration planning. Upon notification that a ship is scheduled for deployment, an outfitting directive is published by the cognizant TYCOM. The directive contains information relative to the planned material requirements and configuration of aircraft to be embarked for deployment. The Aircraft Equipment and Configuration List (AECL) is the foundation of the outfitting directive. The AECL is verified for completeness and accuracy by the functional wing commanders. The outfitting directive is issued by the TYCOM to the operating site (OPSITE) and to NAVICP-Phil. The outfitting directive will specify aircraft and engine models and numbers of each model to be supported, monthly flying hours for each model, and the required date of receipt of final ship AVCAL output products. Upon receipt of the directive, NAVICP-Phil will verify aircraft deckload and flying hours with the weapons system planning document (WSPD) and will negotiate changes with the TYCOM, as required. To ensure adequate piece part support for end items of SE, NAVICP-Phil will review the IMRL for deckload applicability.

Past actual flying hours used in requirements calculations are derived from the CNO aircraft flight data series reports. Demand-based activity requirements that are extracted from the Ship's AVCAL Asset Tape (SAVAST) are accessed during the AVCAL requirements determination process.

Responsibilities

The following paragraphs describe the TYCOM, NAVICP-Phil, and ship's responsibilities for the AVCAL process.

TYCOM.— The functions of the applicable TYCOM concerning the AVCAL are as follows:

- Submit proposed AVCAL schedules to the NAVICP-Phil approximately 6 months before the beginning of each fiscal year with updates as they occur. The schedule will identify the ship to be outfitted and planned deckloads 1 year in advance.

- provide aviation ordnance gun and missile employment information to the NAVICP-Mech according to the AVCAL schedule.

- Issue AVCAL directives for each ship to be outfitted. The directives provide the following information

  — The identification and number of all aircraft and engine models to be supported

  — Rejected monthly flying hours for each model aircraft/engine

  — Engine and airframe ARRs to be used in the item selection process

  — Designation of aircraft/systems to be protected from constraint action with supporting rationale

- Issue validated IMRL to NAVICP-Phil listing end items of SE.

- Include a validated AECL with the outfitting directive. Make sure that AECL site validation is performed against the latest master AECL as provided by the NAVICP-Phil.

NOTE: The AECL is issued as part of the outfitting directive. It is given to the functional wing or squadron for validation and is then returned to the TYCOM for further validation. The TYCOM then sends the validated AECL to NAVICP-Phil for material computation.

- Provide representation for participation in the AQRC. The major areas of review include the following:

  — Negotiation of repairable fixed allowances as required

  — Consideration of interchangeability data

  — Historical demand data from the ship

  — Not mission capable supply/partial mission capable supply (NMCS/PMCS) requirements

  — Approved changes to the maintenance plan affecting AVCAL-supported weapons systems/subsystems

  — All quantities in excess of 99

  — All items with a unit of issue other than *each*

  — Navy Stock Account/Defense Logistics Agency (NSA/DLA) items with unextended deficiency value of over $200.

- Advise the NAVICP-Phil as soon as possible of deckload changes and negotiate AVCAL modifications as late changes may dictate.

Ships.— When directed by the TYCOM, the ship provides NAVICP-Phil with the SAVAST extraction of data from the master record file (MRF) in the format outlined in enclosure 1 of FASOINST 4441.15. Additional responsibilities of the ship areas follows:

- Advise NAVICP-Phil 60 days before the review of those items that have been selected for the local repair cycle asset (LRCA).

- Validate onboard general-purpose electronics test equipment (GPETE) through the tailoring of the IMRL. Forward results of validation to NAVICP-Mech requesting production of a COSAL supplement.

- Notify NAVICP-Phil via message of the requisition drop date subsequent to receipt of final products, but at least 1 week before the drop date.

- Provide representation for participation in the AQRC. The representative will provide the preliminary fixed allowance package, all associated BCM and repair data, all maintenance data to substantiate any claims of discrepancy, justification for existing/forecasted maintenance capability, TAT substantiation, and a current individual component repair list (ICRL). All LRCA items to be negotiated are substantiated by activity usage data.

NAVAL INVENTORY CONTROL POINT-MECHANICSBURG.— The NAVICP-Mech will forward the aviation ordnance (AVORD) to NAVICP-Phil via tape 55 days before the scheduled AQRC date. Upon receipt of the GPETE deckload from the ship, Mechanicsburg will prepare a COSAL supplement. For GPETE validations submitted subsequent to COSAL supplement cutoff, individual APLs will be identified and forwarded to the applicable ship. A cover letter is provided to specify the purpose for which the APLs are forwarded.

NAVAL INVENTORY CONTROL POINT-PHILADELPHIA.— The NAVICP-Phil is responsible for the following actions:

- NAVICP-Phil will negotiate AVCAL schedules with the cognizant TYCOMs approximately 6 months before the beginning of each fiscal year, with updates as they occur.

- Upon receipt of the outfitting directive, NAVICP-Phil will verify deckload and projected flying hours with the weapons system planning document

(WSPD), negotiate changes with TYCOMs as required, and prepare computer inputs.

- Average SAVAST demand as follows:
  - — Shipboard Nontactical ADP Program (SNAP I) average monthly demand is multiplied by three when the demand-based item (DBI) indicator D is not found in position 234 of the SAVAST.
  - — When a D indicator is present, the requisitioning objective quantity is compared to the ARR quantity and the higher of the two will become the AVCAL quantity. The use of requisitioning objective quantities pertains only to consumable items.

- Consider ARR constraint exceptions as designated by the TYCOM and apply the exceptions appropriately.

- Compute retail requirement levels for consumable and repairable items for which NAVICP-Phil has program support responsibility.

- Prepare preliminary AVCAL requirement packages for OPSITE/TYCOM distribution.

- Submit preliminary AVCAL products to the ship and the TYCOM according to the AVCAL schedule in FASOINST 4441.15.

- provide representation for participation in the AQRC. Negotiate LRCA stock levels and fixed allowances for other repairable nominated by conference attendees. Incorporate required changes to preliminary requirements.

- prepare the final AVCAL and supply aids and forward to the ship according to the AVCAL schedule.

- Process ACR-F documentation submitted by ship.

- Prepare supplemental AVCALS in support of major changes in configuration or deckload as required.

AVCAL Composition

Upon completion of the AQRC and override processing, final AVCAL output (deliverable) products including tapes and listings will be submitted to the ship and the TYCOM according to the AVCAL schedule. The deliverables from the AVCAL process are designed to interface with the Shipboard Uniform Automated Data Processing System-Real Time (SUADPS-RT). The magnetic tape supply aids will update the MRF, the outstanding requisition file, and the part number and ARR numbers files within SUADPS. The following deliverable products comprise the AVCAL.

- The ARR index is a consolidated listing of all ARRs used to compile the AVCAL.

- The AECL validation list and addendum is prepared in ARR list code sequence and shows major component application to specific types of aircraft. Additional data elements provided include the following information:
  - — Joint Electronics Type Designation System (JETDS) nomenclature
  - — Part number
  - — Aircraft model code
  - — Maintenance level codes (positions 3,4, and 5 of the SM&R code),
  - — Quantity installed by aircraft type,
  - — Total aircraft population.

An AECL addendum that lists ARRs in support of the aircraft deckload but not identified in the outfitting directive is developed upon completion of override processing.

- The gross quantity validation lists are multiple gross requirements listings that display ARR quantities applicable to line items before optimization. The data is arranged in both NIIN sequence and in NIIN sequence within the ARR list code. The ARR list code, component code, allowance quantity, and column selected for each item, including those items with zero allowances, are shown. If the line item is common to multiple ARRs, each application and associated data will be displayed.

- The manufacturer's cross-reference reports are multiple listings in NIIN sequence and in part number sequence within the commercial and government entity (CAGE) code of all items considered in the ARR gross computation. The data elements provided include CAGE and part number, NSN, ARR list, and component codes.

- The AVCAL requirements review listing displays all items that are considered in the AVCAL, including those with zero allowances, after the mechanized optimization process. This list is in NIIN sequence and indicates the program decision made relative to requirements determination. The data

provided includes the ARR list and component code or demand indicator, separately identified AVCAL, demand and ARR quantities, assets on hand, unit price, and extended price. Where an item has multiple ARR applications, it will be identified by MULT in the ARR field. The listing is to be used as a point of departure in requirements negotiations.

- The Net Requirements Report is a listing produced upon completion of override processing. This report is arranged in NIIN sequence within the ARR list axle. When assets appear on the SAVAST, this listing represents deficiencies. Where no assets appear, the listing represents the total AVCAL quantity. The data elements provided in this listing include the ARR list code, NSN, unit of issue, requirement (represented by a deficiency), unit price, extended deficiency values, Julian date, and serial number. Line item and dollar value summaries are printed for each ARR list code.

- The Excess Material Listings are multiple listings in NIIN sequence within the MSP category and in NIIN sequence within the ARR list code of all OPSITE on-hand assets that exceed authorized OSI retention limits. It is important to note that stock dues are not considered in the determination of the ship's material excesses. The data elements provided in this listing include the NSN, unit of issue, on-hand quantity, AVCAL requirement, excess quantity, unit price, and excess value. Line item and dollar value totals are provided for each ARR list code.

- The AVCAL Final Allowance Report is a listing of all items considered in the AVCAL less zero allowance candidates. This report is in NIIN sequence and is produced upon completion of override processing. The data elements include ARR list/component codes, NSN, unit of issue, ARR quantity, final AVCAL quantity (that is, the preliminary net plus override decision), demand quantity, and on-hand quantity.

- The Interchangeability Reports are multiple listings tailored to the AVCAL containing carried items cross-referenced to interchangeable items as found in NAVICP-Phil technical files. These reports are sequenced by the NIIN, part number, and family group code. Data contained in these reports include the AVCAL NSN, registered alternate(s), family group and relationship codes, CAGE, and part numbers.

SHOREBASED CONSOLIDATED ALLOWANCE LIST (SHORCAL)

The SHORCAL is a requirements list that identifies the quantity of material required to support planned operational and maintenance missions at an operational site. The purpose of the SHORCAL is to provide optimum supply support and aircraft operational readiness in a peacetime environment, unless otherwise specified in the WSPD. The SHORCAL is normally associated with consumer level support for DLR and FLR items. However, the SHORCAL will include both consumable and repairable allowances when initial] y established for an operating site. Unless otherwise requested, subsequent SHORCALs will only recommend consumable requirements for new aircraft or weapons systems.

The NAVICP-Phil is responsible for the develop ment and maintenance of SHORCAL in support of the operating sites. The SHORCAL includes support of the station aircraft, engines, support equipment, and other additional requirements that are approved and funded in the applicable WSPD. The SHORCAL does not include ordnance end items (4Z Cog) or items listed in the NAVAIR 00-35QH-2 instruction as authorized organizational level spares.

REQUIREMENTS DETERMINATION

The requirements for SHORCAL are determined as described in the following paragraphs.

Repairable Items

Allowances for aircraft and equipment that meet the protect criteria are obtained from the applicable ARR. In some cases, the item may apply to more than one ARR that provides a protected quantity. In this case, optimize the ARR quantity by adding all the protected attrition quantities together and then divide the sum by 2. Compare the result to the largest individual ARR protected attrition quantity. Select the larger of the two as the attrition protect quantity. Use the same optimization to the protected LRCA quantities. Add the optimized attrition and LRCA quantities to determine the total protected allowance.

When computing the nonprotected aircraft/systems allowances, refer to the procedures described in enclosure 2 of FASOINST 4441.16.

Consumables

The requirements for consumables are derived from the applicable ARR for new aircraft/systems that meet the protect criteria. These requirements are provided to the operating site as recommended stock levels.

The operating site will determine the final consumable requirement levels by comparing the recommended quantities to the levels previously established under the local demand-based procedures.

FIXED ALLOWANCE VALIDATION

The NAVICP-Phil will forward the fixed allowance review aids (FARA) to the operating site and TYCOM for review. Upon receipt of the review aids, validate the preliminary fixed allowance. In validation, use the latest 12 months of local 3-M data and the computation formula in enclosure 2 of FASOINST 4441.16. Recommended changes to the fixed allowance must be supported by updating the FARA supplement with local 3-M data, separating BCMs by category. Return the updated FARA supplement to NAVICP-Phil including the period of 3-M data used. The NAVICP-Phil will use the updated FARA supplement to recompute the fixed allowances and determine the final allowance quantity.

EXECUTION OF SHORCAL

After the allowance determination process, NAVICP-Phil will load the planned program requirements (PPRs) for new fixed allowances to the planned program file (PPF). The NAVICP-Phil loads the PPR by using document identifier BPR (for TIR sites) or 501 (for non-TIR sites). The final SHORCAL products are forwarded by NAVICP-Phil to the operating site and the TYCOM. the final products are transmitted to the operating site 83 days after the date when NAVICP-Phil forwarded the preliminary products.

After receiving the final products, the operating site must remove the old allowances and load the new fixed allowances. Operating sites must submit newly established or increased fixed allowances to NAVICP-Phil. The requisitions must cite advice code SD and fund code QZ for 7R Cog items and fund code 26 for 1R Cog items. Submit a separate requisition for each 7R Cog item.

Submit a cancellation request for all outstanding requisitions that are confirmed excess to the new fixed allowances. Return excess 7R Cog items by using document identifier D6_, fund code QZ, management code C, and project code RDE to the nearest wholesale activity.

Refer to FASOINST 4441.16 for additional information concerning SHORCAL, Splinter SHORCAL, and SASS.

COMPUTATION OF FIXED ALLOWANCE

The quantity of an activity's fixed allowance of aviation material is set and changed only by NAVICP-Phil. The requirements for fixed allowance are determined by the sum of attrition and local repair cycle requirements (LRCRs). The fixed allowance may also include funded additives such as the supplemental support requirements.

The Maintenance and Material Management (3-M) Systems data is used in determining the fixed allowance requirements of the activity. The 3-M systems data period must be the most current 12 months. In the case of new system(s) or aircraft on station for less than 1 year, a minimum of 6 months of 3-M data is used.

The retail levels in support of aircraft on board carriers are derived on a community basis. This data is overlaid into the preliminary AVCAL output products as the baseline tailored fixed allowance (BLTFA), subject to negotiations during the AQRC, The collective experience for BCM, repair, and TAT of the sites that constitute the carrier community is applied in the calculation of the BLTFA. Usage data from the carrier undergoing re-AVCAL is always applied in the calculation of the BLTFA.

ATTRITION QUANTITY

Attrition requirements are determined from the site's BCM actions. Activities may approximate the attrition requirements for the purpose of allowance change request-fixeed (ACR-F) by using the BCM rate computation. Compute the raw attrition quantity according to FASOINST 4441.15 or FASOINST 4441.16.

LOCAL REPAIR CYCLE REQUIREMENT (LRCR) QUANTITY

The operating site may simulate the LRCR determination for the purpose of ACR-F submission and allowance negotiations by using the activity's constrained TAT. The following principles apply in determining LRCR levels:

Table 4-1.-Constrained Turn-Around Time

Element	Maximum Allowed Days
Removal to IMA	1
Scheduling Time	3
Awaiting Parts	20
Actual Repair Time	8

- The item is locally repairable at the organizational or intermediate level of maintenance.

- Constrained TAT is used in the computation (see Table 4-1). The TAT is the number of calendar days between removal of the item for processing through repair cycle until it is available for reinstallation.

In computing the total average TAT for each NIIN, use the lower figure of the actual experience or maximum allowed time for each repair element. After summing the individual elements, the total NIIN average will be constrained to 20 days. The constrained average daily NIIN TAT is used in the calculation of LRCR values.

To determine the LRCR quantity, use the computation formula and Poisson distribution table (part of enclosures) in FASOINST 4441.15 or FASOINST 4441.16.

SUMMARY

In this chapter, we discussed the Navy Supply System echelons and their functions for managing aeronautical materials in the Navy. Aeronautical material is composed of consumable and repairable items. We discussed the difference between these categories of material and the procedures used to determine the activity's stocking levels for each category.

The primary inventory manager of aeronautical materials in the Navy is the Naval Inventory Control Point-Philadelphia. The repairable items are categorized as field level repairable (FLR) and aviation depot level repairable (AVDLR). The AVDLR items represent the most significant dollar investment in the aeronautical inventory. Therefore, strict inventory control is required to manage these items.

The activities that are required to provide supply support to aircraft and aeronautical equipment will be outfitted with items for stock. The designated activity is outfitted through the AVCAL/SHORCAL process. After the AVCAL/SHORCAL process, any increase or decrease to the allowance quantity must be submitted to the NAVICP on the Allowance Change Request-Fixed (ACR-F) form. The FLRs may be carried in purpose code W or L of an activity's fixed allowance. The FLRs that are excess to the authorized allowance are carried in A purpose code. Ships carry FLRs under stores account 51000 pending issue to the customer. The ownership of AVDLR items relate to the stores account they are carried under. These stores accounts could be the DBOF, APA, contractor supported, and end-use ashore or afloat.

We discussed the different Navy management programs for AVDLR items. These programs provide specific procedures in inventory management, scheduling, repair, carcass tracking, reclamation, and support of AVDLRs.

Managing repairable material has become more significant in today's Navy. The activities must ensure that procedures for processing transactions are being followed. Since the number of AVDLR items in the Navy has increased, intensive management procedures are required. The inventory management and carcass tracking programs provide the necessary procedures in support of the AVDLR.

We discussed the carcass tracking and the Advanced Traceability and Control (ATAC) programs. The carcass tracking program includes shipment of retrograde, maintaining carcass tracking records (CTRs), carcass tracking follow-up inquiry from NAVICPs, replies from shipping activities, and billings. The follow-up inquiry documents must be processed within the prescribed time frame to prevent additional billing from the NAVICPs.

To prevent the duplication of effort and to ensure currency of information, certain paragraphs in this chapter refer you to the reference(s) that describe the subject in detail.

CHAPTER 5

INVENTORY MANAGEMENT

The Navy supply system has two primary parts—inventory management and physical distribution. In this chapter we describe the information you should know about inventory management.

Aviation Storekeepers are assigned to billets in Navy stocking activities. These are activities afloat or ashore that carry materials in inventory stores account for their own use or to support other activities. As a senior AK, you should familiarize yourself with the procedures for managing stock items in your activity. This chapter will help you understand the practices and procedures applicable to material custody and inventory management. You should also learn the procedures for conducting physical inventory and reconciling inventory results.

Inventory management functions include deciding what items and how many of these items should be stocked. The function includes deciding where to store the items so they will be close to the likely users. It also includes tracking the material from the time it is ordered until it is issued. Inventory management is mainly done at the naval inventory control points (NAVICPs).

A perfect inventory management enables every material requirement to be satisfied from stock within the required time frame. Although this is the ideal result for each material request, this goal is often not achieved. To achieve this goal is to put every item needed to support all aircraft and equipment in the stock inventory. However, this will cost a large amount of money, especially for those items that are seldom used. To provide supply support and keep the inventory cost to a minimum, the projected customer demand is used as the foundation of the federal inventory management system. (NOTE: Demand is any request for an item.) To properly invest funds, any item without a projected demand is not stocked, or is removed (purged) from stock.

The Navy inventory management activities are those organizations assigned as primarily responsible for managing assigned groups or categories of supplies. These activities are classified into two groups as follows:

1. Navy commands whose principal mission is Navywide program management of weapons systems/major items. These are the Hardware Systems Command (HSC), Project Offices, the Navy Training Systems Center, and the Military Sealift Command.

2. Naval Inventory Control Point (NAVICP) under the Naval Supply Systems Command (NAVSUPSYSCOM or NAVSUP). The NAVICP is located in two sites. They are the NAVICP Philadelphia site (formerly known as Aviation Supply Office [ASO]) and NAVICP Mechanicsburg site (formerly known as Ships Parts Control Center [SPCC]).

The primary function of the inventory manager (IM) is to get and distribute material to effectively support Navy activities. The IM provides support for the life cycle of weapons systems and equipment assigned by the HSC. After the material requirement is determined, the IM locates the material in places that ensures the quickest response time. The Navy's distribution system is involved with three stocking levels. They are the consumer (including shipboard), intermediate (ashore and afloat), and wholesale. The distribution system is designed to push material to wholesale stock points based on its customer's anticipated requirements. Ships and other customers then pull or requisition material from the wholesale stock points. When this pull of material is reported to the IM, the IM replaces the item with push material to the stock points. In cases where the wholesale stock points also carry intermediate stock, the items are pulled from the wholesale to satisfy retail requirements.

Items in stock are managed as wholesale or retail material. Both involve a central IM at the NAVICP who initially brings the item into the supply system. The difference between wholesale and retail is the handling of the item after it is brought in to the supply system. Wholesale material is always under central management at the NAVICP level. The IM positions the material at stock points but retains management responsibility. On the other hand, retail stock is locally managed at the stock points, The local managers set the level of inventory to satisfy local demands. Retail items are replenished by using the demand, insurance, and lead-time criteria.

Both the stock points and NAVICP perform inventory control tasks, but only stock points actually maintain an inventory. IMs at the NAVICP are responsible for procurement of specific items and positioning of these items in stock points to satisfy worldwide demand. The IM centrally manages these items for the customers. The managers in the stock points are responsible for local inventory management to support local demands.

The NAVSUP designates ashore Navy stocking activities (stock points) after coordination with affected commands and activities that receive support. The fleet commanders and type commanders designate afloat stocking activities.

The NAVICP provides the authorized allowance for repair parts and equipage requirements to ships, squadrons, or shore activities, Repair parts that are needed to support aviation weapons systems are listed in the activity's Aviation Consolidated Allowance List (AVCAL) or Shorebased Consolidated Allowance List (SHORCAL). As a senior AK, you are responsible for ensuring that the items in stock are properly managed.

DEFINITIONS

Some of the common terms used in inventory management are described in the following paragraphs. You should familiarize yourself with these terms.

- Bouncebacks—The procedure used when the stock point is notable to fill the requirement referred by the item manager.

- Classified items—Materials that require protection in the interest of national security, Refer to the *Department of the Navy information and Personnel Security Program Regulation,* OPNAVINST 5510.1.

- Consumer level of inventory-An inventory, regardless of funding source and usually of limited range and depth, held for the sole purpose of internal consumption.

- Controlled inventory items—Material having characteristics that require special accounting, security, or handling. These materials are categorized as classified and sensitive items.

. Intermediate level of inventory-An inventory, regardless of funding source, that is required between the consumer and wholeale levels of inventory. Its purpose is to support a defined geographic area. Intermediate level of inventory may also be held for *tailored support* of specific consumer organizations or activities.

- Operating site-Any activity, either afloat or ashore, authorized to stock in a retail-level (consumer or intermediate) inventory.

- Pilferable items—Materials having a ready resale value or application for personal use and, therefore, subject to theft.

- Retail inventory-Materials held below the wholesale level in either consumer or intermediate inventories.

- Retail inventory stocking activity-Any activity authorized to stock items in retail-level inventory.

- Sensitive items-Materials that require a high degree of protection and control. Some examples of these items are narcotics, precious metals, ammunitions, explosives, and so forth.

- Wholesale inventory—Materials under the control of an inventory manager that are required to meet worldwide inventory requirements.

MATERIAL MANAGEMENT FUNCTIONS

Effective inventory management depends upon personal involvement by supply managers and supervisors in performing supply functions. Several material management functions performed in different areas in supply directly affect inventory. These include the following functions:

- Allowance list maintenance
- Issue processing
- Receipt processing
- Physical inventory count and reconciliation
- Stock record maintenance

FILES

Several files are used in inventory management. Some of these files areas follows:

- Material files-Those files maintained to manage items in stock or to record demand data. Under the Supply Uniform Automated Data Processing System-Real Time (SUADPS-RT), the primary material file is the Basic Material File (BMF).

- Requisition files—A record of all requisitions submitted by the activity or supported units. In SUADPS-RT, the Basic Requisition File (BRF) contains records of requisitions submitted into the supply system.

- Financial files—Data needed to prepare financial inventory or other required reports.

- Transaction files—Files used in automated systems to hold transaction records for further processing or producing reports.

- History files—A complete history of supply processing, yet limit the size of some active files. In automated activities, history files are normally maintained on tapes and are not available in on-line programs.

- DLR Carcass tracking files—Transactions and information concerning the shipment of NRFI DLRs.

- Expenditure invoice files—The original or copy of each expenditure document prepared by the activity.

- Issue pending files—A copy of each material request forwarded to storage for off-line processing.

- Proof of delivery file—The signed copy of all documents for material issued.

- System output files-Reports produced by an automated system. These reports are printed on computer paper and filed separately in an appropriate binder or cabinet.

Automated files are maintained by entering the record(s) in the computer in an interactive or batch processing method. The interactive processing method is performed by using the computer function via the data entry screen to input records in a manual format. Batch processing is normally accomplished by using a magnetic tape record format. Some of the records that are batch processed are as follows

- Management data reconciliation. At least annually, ships submit the request for records reconciliation to NAVICP-Mechanicsburg (formerly *WCC).* The NAVICP-Mechanicsburg in turn provides a tape of change notice actions tailored to the activity's records,

- Annual price change tape is provided by NAVICP-Mechanicsburg to update the prices of items in the stock records.

- The Recording Demand Data function allows transfer of internal demand data to the demand history file.

Refer to the automated operating procedures used in your activity for additional information concerning batch processing.

MANAGEMENT REPORTS

The reports produced in inventory management are used for reviewing the stock posture. *Some* of the reports list the transactions that affect the change of stock inventory. Although very few AKs may be assigned to review and act on the management reports, you should know the purpose of these reports. Some of the reports that the AK may review areas follows:

The Fixed Allowance Management Review (FAMR) Report allows specified afloat activities to review the allowance quantities of repairable items. The FAMR uses the latest average monthly demand to compute the amount of stock required based upon the past demand. Supervisors should review this report for items that qualify for allowance change. Change of allowance requires submitting the Allowance Change Request-Fixed (ACR-F) form based on the supply officer or type commander's criteria.

The AVCAL/COSAL Analysis Report provides a detailed list of all items stocked to support a specific allowance listing. Supervisors can use this listing to verify that new equipment, repair parts, and required consumable items are on hand or on order. This report is also used to get detailed information on items being listed with a low support on the AVCAL/COSAL Percentage Report.

The AVCAL/COSAL Percentage Report provides a summary of stock on hand and on order by Allowance Parts List (APL) and Repairable Identification Code (RIC). The report lists the percentage of on hand, on hand greater to or equal than the reorder point (RP), and on hand plus on order equal to or greater than the RP This report also shows the number of stock records supporting the APL or RIC. Supervisors should review this report upon completion of demand processing and the associated automatic reorder. Refer to AVCAL/COSAL Analysis Report to find detailed information about an item on this report.

The Awaiting Return from AIMD Report is a daily cumulative listing of repairable items that was turned-in for repair and not yet returned to supply. These are items inducted for repair to the intermediate maintenance

activity (IMA) or aircraft intermediate maintenance department (AIMD). The supervisor can use this report to check for potential or an actual not in stock (NIS) condition. With this report, the supervisor can determine which items have been in an NIS situation for a number of days because of repair requirements. The stock control and AIMD officer should review this report to determine the required action as follows:

- Parts are on order to repair the item and a follow-up is required.
- Repair efforts should be terminated; the item should be processed as beyond capability of maintenance (BCM).
- The allowance quantity should be increased.

When the stock control and AIMD officer determines the required action, the supervisor must ensure the actions are carried out to the letter.

The Stores Account Material Management Afloat/Ship Authorized Levels (SAMMA/SAL) provides the data necessary to evaluate the activity's inventory position. This report provides information to alert managers to take the following actions:

- The need to review stock replenishment policies
- Initiate cancellation requests
- Perform stock offloads
- Correct erroneous conditions in the stock records

The SAMMA/SAL report is produced according to the policies established by the type commander. Refer to NAVSUP P-567 for detailed procedures concerning SAMMAISAL.

The Supply Effectiveness Report measures the supply department's success in material support. This report contains performance analysis for the last reporting period (month). The supervisor can use this report to improve material availability. Using the applicable data in this report, the supervisor can ensure that the following actions are taken:

- The not carried (NC) nonstandard items are being reviewed for substitutes from standard material
- The NC standard items are being validated for acceptable substitutes carried in stock
- The demands showing in the not in stock (NIS) column has been verified by the storeroom supervisor

The low-net effectiveness means the depth of stock is insufficient. To improve this situation, a review of demand history processing parameters is required.

The low-gross effectiveness means that the range of stock is insufficient. To improve this situation, ensure the changes to the allowances are posted.

PHYSICAL INVENTORY PROGRAM

All naval activities and units that are responsible for maintaining stock records are required to establish an inventory program. The inventory program established by DODINST 4140.35 consists of four distinct functions. These are the location survey, physical inventory, location reconciliation, and quality control check.

The location survey is the physical validation, other than the actual count, of the assets in the storage location with the data on stock records. This function ensures that all assets are properly recorded as to the location, material identification, condition, and unit of issue.

The location reconciliation is the process of matching records of the stock point with the naval inventory control point (NAVICP) or item manager. This process allows correction of unmatched information between the stock point and NAVICP or IM records. Location reconciliation is scheduled by the NAVICP and performed jointly by the stock point and the NAVICP.

The physical inventory is the process of physically counting the items of stock in the location to verify the quantity (stock balance). A physical inventory consists of counts, post-count validation, preadjustment research, and causative research.

The quality control checks are statistically valid samples of those physical inventory and physical distribution functions that affect stock point record accuracy. These checks are used as a management to identify trends and resolve problem areas. The NAVSUPINST 4440.184 establishes policy and procedures for quality control.

POLICY

The policy, procedure, and performance objectives for the physical inventory program ashore are described in NAVSUPINST 4440.115. The physical inventory program for Navy-owned material carried by units that use the Supply Uniform Automated Data Recessing System-Real Time (SUADPS-RT) is described in

NAVSUPINST 4440.185. The Commander, Naval Supply Systems Command (COMNAVSUPSYSCOM) is responsible for the inventory program in the Navy. The COMNAVSUPSYSCOM is also responsible for monitoring the performance of the stock points, for compiling statistics, and for the submission of the *Inventory Control Effectiveness (ICE) Report.*

OBJECTIVES

The goal of the Navy physical inventory program is to establish and continuously improve the inventory accuracy and accountability of material in the stock points. The success of the physical inventory program has a direct impact on material availability, accurate and timely procurement actions, and overall supply effectiveness.

TYPES OF INVENTORY

The types and frequency of inventory are not always a matter of preference. Minimum inventory requirements are established by NAVSUP and vary according to the type of ship or activity. However, the TYCOM, commanding officer, or supply officer may direct specific inventories that exceed the minimum requirements. The types of inventory afloat and ashore are discussed in the following paragraphs.

Bulkhead-to-Bulkhead

A bulkhead-to-bulkhead inventory requires a physical count of all stock material within the ship or within a specified storeroom or storage area. This type of inventory is normally taken during an integrated logistics overhaul (ILO), as part of the re-AVCAL process for aviation activities, or when directed by higher authority. A bulkhead-to-bulkhead inventory may also be required when a random sampling inventory within a specific storage area indicates less than 90-Percent inventory accuracy.

Wall-to-Wall

A wall-to-wall inventory is a scheduled inventory of all material in a storage area ashore. This type of inventory is recommended only at those activities where the range and depth of stock is small and a complete inventory can be easily performed. A wall-to-wall inventory may also be required when sample inventories are less than established goals.

Specific Commodity

A specific commodity inventory requires the physical count of all items within a generic segment of material such as cognizance (COG) symbol, federal supply class (FSC), special material identification code (SMIC), or a group of items supporting the same function such as aircraft tires or dry cell batteries.

Special Material

Certain items are specifically designated for separate identification and inventory control. A special material inventory (also referred to as selected item inventory) requires the physical count of all such items. Items are selected based on their physical characteristics, cost, mission essentiality, and criticality. Items included in this category are labeled as hazardous, classified, repairable, shelf-life, or pilferable.

Specific Item (Spot Inventory)

A specific item inventory is referred to as a spot inventory. A spot inventory is an unscheduled inventory required to verify the quantity of material on hand as a result of a total or partial not in stock (NIS) issue transaction. This transaction is referred to as a warehouse refusal. Spot inventories are also taken as a result of directives from external commands such as an inventory manager or a TYCOM.

Velocity

A velocity inventory is based on the assumption that stock record errors increase with issue frequency. Therefore, the physical inventory effort should be concentrated on items that experience frequent demands.

Random Sampling

A random sampling inventory is used to measure stock record accuracy for a segment of material based on the physical count of a specified number of randomly selected items. The percentage of items to be inventoried under the random sampling method is 5 percent of the total items carried, less the number of items that are completely and periodically inventoried. The items that are periodically inventoried include the fast movers and special material; for example, if a ship carries 40,000 items in stock of which 2,000 are fast movers and 600 are special materials. The number of items to be scheduled for annual inventory by random

sampling method will be 1,870 (40,00 - 2,600 = 37,400 x 5%= 1,870). The accuracy rate is computed mathematically by subtracting the number of errors from the total number of items inventoried, then divide the difference by the total number of items inventoried. For example, the total number of items inventoried is 375 and the number of errors is 24 (375 – 24 = 351, then 351 + 375 = .9360). The accuracy rate is 93 percent. When inventory accuracy falls below 90 percent, a bulkhead-to-bulkhead or wall-to-wall inventory maybe required for the storeroom or storage area involved.

All quantity and location differences found during the random sampling inventory must be adjusted and posted in the stock records. However, the differences that should be counted as errors are as follows:

- Each location difference
- Each quantity difference when the quantity adjustment exceeds 10 percent of the stock record balance or the adjusted value exceeds $25.

When computing the accuracy rate, count the location and quantity errors in the same stock record as only one error. Changes to the cognizance symbol, stock number, unit of issue, unit price, management codes, and so forth that are required as a result of the inventory are not considered as errors when computing the inventory accuracy rate.

SCHEDULED INVENTORY

Some items should be inventoried at a specified interval to ensure effective control of material needed to support the mission. The inventory requirements in Table 5-1 are considered the minimum necessary for effective control of material.

NONSCHEDULED INVENTORY

This is the type of inventory that is conducted to investigate the inaccuracies in the stock records found during issue process, random sampling, or supply inspection. Nonscheduled inventories also include those that are occasionally required of certain items as

Table 5-1.-Scheduled Inventory Requirements

CATEGORY	FREQUENCY	STANDARD QTY	LOCATION
Classified material	Quarterly	100%	100%
Flight clothing	Semiannually or change of custodian	100%	100%
Material in custody of other departments	Semiannually or change of custodian	100%	100%
Maintenance assist modules (MAMs)	Semiannually or change of department head	100%	100%
Test bench installations (TBIs)	Semiannually or change of department head	100%	100%
Demand based items (DBIs)	Quarterly, sample all storerooms	90%	98%
Non-Demand based items (NDBIs)	Quarterly sample	90%	98%
Repairables	Annually, upon return from deployment	100%	100%
Hazardous material	Annually	100%	100%
Controlled equipage	Biennially or change of department head or CO	100%	100%
NOTE: For current inventory requirements afloat, refer to COMNAVAIRLANT/COMNAVAIRPACINST 4440.1, NAVSUP P-485 or 567, or NAVSUPINST 4440.185.			

required by the item manager, type commander, or other authorities. An example of a nonscheduled inventory is the spot inventory. A bulkhead-to-bulkhead inventory of specified storeroom(s) or a specific commodity that is required as a result of an unsatisfactory random sampling or supply management inspection is an example of nonscheduled inventories.

ASHORE

The NAVSUPINST 4440.115 describes the physical inventory program for shore activities. The AKs assigned to shore billets are responsible for managing only a small portion of supply stock. The AKs are responsible for the supply assets located in the aviation support division (ASD)/supply support center (SSC). Personnel assigned to shore billets should familiarize themselves with the inventory program to cope with reorganizations.

Physical Inventory Requirements

The physical inventory required ashore is classified as the unscheduled and scheduled inventory as described in the following paragraphs.

UNSCHEDULED INVENTORY.— This inventory is conducted as a result of the following:

1. Spot Inventories of Warehouse Refusals. These are usually caused by errors between the stock records and the actual location. A warehouse refusal occurs when stock point records indicate an on-hand balance but the material cannot be located to satisfy a requisition. Processing the warehouse refusal results in customer credit, referral of the requisition, adjustment of stock record balance to zero, and the processing of an inventory adjustment. The procedures for processing warehouse refusals are listed in enclosure 2 of NAVSUPINST 4440.115. The stock points that do not elect to use this procedure must conduct a spot inventory of all warehouse refusals with a total dollar value greater than $800 (excluding DLA-owned material).

NOTE: A spot inventory must be conducted for all sensitive or pilferable items that have experienced a warehouse refusal.

To ensure timely processing of requisitions, the potential warehouse refusal must be researched and resolved according to the time frames in Table 5-2.

Table 5-2.-Warehouse Refusal Time Frame

PRIORITY	NUMBER OF DAYS
01 – 03	The same day the issue document was printed.
04 – 08	NLT 2 days after the issue document was printed.
09 – 15	NLT 4 days after the issue document was printed.

2. In-house Receipt Losses. An inventory must be conducted for all in-house receipt losses with a dollar value over $800.

3. Location Survey. An inventory must be conducted if the following stock record differences are identified:

- The material was found in an unrecorded location
- Potential gains (material is in the location, but stock record shows zero balance)
- Potential losses (material not in location, but stock record shows there is material on-hand)

4. Selected Item Inventory. This is requested locally when a known or suspected imbalance exists between the recorded and actual on-hand balance, or to resolve a Report of Discrepancy (ROD).

5. Naval Inventory Control Point/Defense Supply Center (NAVICP/DSC) Directed Inventory. The physical inventory requests are generated by the NAVICP/DSC when a bounceback is received and the research reveals that one of the following conditions exists:

- The bounceback is for condition code A material and the on-hand system asset in A condition is less than the projected quarterly demand.
- The bounceback is for a fleet-controlled item (any condition).

NOTE: The NAVICP/DSC freezes their records to prevent processing of requisitions until the results of inventory is received.

The NAVICP/DSC may also request for location reconciliation to resolve record/quantity mismatches. A physical inventory of assets is also required before

processing material transfer only if record balances are suspect or the item is classified or sensitive.

SCHEDULED INVENTORY.— This inventory is accomplished at a given time for a specific material category. The inventory frequency for each type of material is discussed in the following paragraphs.

General Supplies.—A random statistical sample inventory of the total population of items in storage is conducted quarterly to determine the overall inventory accuracy rate. Activities under the Uniform Automated Data Processing System-Stock Points (UADPS-SP) use the Statistical Accuracy Techniques and Measurements Analysis (STATMAN) system to perform the sample inventory. The non-UADPS-SP activities have the option to perform an annual wall-to-wall inventory instead of a quarterly sample inventory.

For arms, ammunition, and controlled inventory items, use the procedures described in OPNAVINST 5530.13. Sonobuoys must be inventoried annually.

Narcotics, drug abuse items and alcohol, and precious metals (Security codes Q and R) are inventoried quarterly. Refer to NAVSUPINST 4440.146 for additional information.

Classified (Security codes A through H, K, L, O, S, and T) items are inventoried annually as required by DODINST4140.35, In addition to the annual inventory requirement, NAVSUP Publication 1, Volume II, *Supply Ashore*, requires the maintenance and reconciliation of dual stock records. This is performed by matching the manual stock records and the master stock item record (MSIR). The manual stock record is to be maintained on NAVSUP Form 766, *Stuck Record Card*, by the storage branch/division. To ensure inventory accuracy, the annual classified inventory and the reconciliation of the manual stock record must be scheduled alternately at six-month intervals.

Pilferable items (Security codes I, J, M, V, W, X, Y, Z) must be inventoried annually as required by DODINST4140.35.

Consumer Level Stock.— These are items carried in service marts (SERVMARTS), shop stores, ready supply stores, and W purpose repairables that are part of the fixed allowance assets.

Items in SERVMART must be inventoried once each fiscal year according to NAVSUPINST 4400.59. The inventory adjustments (based on dollar value of gains or losses) must not exceed one percent of the total sales since the last scheduled inventory. If the inventory adjustment is over one percent, an inventory must be taken quarterly until the financial adjustments are within limits as prescribed by NAVSUPINST 4400.59.

The shop stores and ready supply stores are inventoried once each fiscal year according to NAVSUP Publication 1, Volume 2, *Supply Ashore.*

Inventory the fixed allowance assets in W purpose (SHORCAL) annually according to NAVSUPINST 4440.160.

Scheduled Inventory Requirements

During the fourth quarter of each fiscal year, stock points prepare a physical inventory schedule for the following fiscal year. The stock points should consider the following factors when preparing the schedule:

1. The estimated number of scheduled and unscheduled inventories to be conducted for the fiscal year.

2. Results of the recent statistical random sample inventories and location surveys. If the results dictate the need for a wall-to-wall inventory, the annual schedule must be updated with the scheduled inventory requirement.

3. Requests for inventory from the NAVICP/DSC.

4. Mandatory inventory requirements described in previous paragraphs.

Format for Annual Physical Inventory Schedule

The annual schedule indicates the inventories projected for execution during each quarter of the fiscal year. The schedule should be in the following format:

1. Inventory Segment. This column identifies the type of material to be inventoried. Some examples of the different types of material are classified, specific supply group or class, and so forth.

2. Scheduled Inventory Line Items. This contains the number of line items included in the segment of inventory.

3. Warehouse/Warehouse Areas. This identifies the warehouse or warehouse areas in which the inventory is conducted.

4. Preliminary Cutoff Date. At start of business on this date (7 to 15 days before the actual cutoff date), inventory controls are established and tracking of in-process transactions begin.

5. Actual Cutoff Date. This date is established at the close of business for the day or as the first order of business the next day. The stock point record balances are obtained at this time.

6. Date Count Commences. The count should begin on the first workday after the actual cutoff (if run as the last day's order of business) or the day of cutoff (if run as the first order of business).

7. Estimated Number of Unscheduled Inventories. This is the estimated number of spot and special inventories to be conducted during each quarter of the fiscal year.

COPIES OF INVENTORY SCHEDULE.— A copy of the inventory schedule is provided to the areas that process receipts, issues, reidentification, catalog changes, and so forth. In automated activities, a copy of the scheduled inventory is provided to the data processing activity. The data processing activities are responsible for running the physical inventory program according to the schedule.

PHYSICAL INVENTORY LOTS OR SEGMENTS.— The physical inventory segments for general supplies are formed according to the number of line items that can be counted and balances verified or adjustments processed within 30 calendar days.

The physical inventory lots of ammunition are formed on the basis of the number of locations that can be processed within 30 days.

Conducting the Physical Inventories

A physical inventory consists of three basic steps. They are physical counts, post-count validation, and preadjustment research. A physical inventory is considered complete when the stock point record balance has been verified as correct or when the adjustment quantity has been determined and processed. Refer to enclosure 3 of NAVSUPINST 4440.115 for detailed procedures in conducting physical counts and reconciliations.

Physical inventories are normally conducted on an open for business as usual basis. With very few exceptions, inventories are normally conducted in this manner because management cannot shutdown or freeze supply operations without adversely affecting support to the customer. The stock point ensures that there is positive control over all in-process or infloat transactions and material that may affect the inventory count. If a positive control cannot be achieved, take the following actions:

1. Suspend processing of low-priority requisitions (issue priority 9 to 15) while the item is under inventory.

2. A shut down or closed inventory in which all transaction and material processing is frozen is permitted if customer support will not be adversely affected.

Those items that are controlled on a serial number basis must be reconciled by serial number. This reconciliation process is conducted as part of the inventory.

Physical Inventory Report

The physical inventory reporting activities (see enclosure 13 of NAVSUPINST 4440. 115) must submit quarterly reports to COMNAVSUPSYSCOM not later than 15 calendar days after the end of each quarter. The report is a summarization of the results of physical inventories and in-house receipt losses (UADPS-SP activities only). Each reporting activity must also submit a copy of the quarterly report to their major command. Refer to enclosure 5 of NAVSUPINST 4440.115 for detailed information concerning physical inventory report.

Physical Count and Reconciliation Procedures

The preliminary inventory controls must be established at least 7 days but no more than 15 days before the cutoff date. 'his ensures that transactions that will affect the physical inventory cutoff and the count are identified.

Obtain the count cards/listing for all locations recorded for all condition codes and items qualifying for inventory. As a minimum, the count cards/listing should contain material identification information, location, cutoff date, and inventory serial number. The count cards/listing should not have the stock record balance (quantity on-hand). Controls are maintained to ensure the count cards/listings are returned by personnel assigned as counters.

The first count starts by the first workday following the actual cutoff date and is completed and returned to the inventory office within 3 workdays.

COUNT PROCEDURES.— Inventory counters must verify the information between the count cards/listings/bar code labels with material in location. Annotate any discrepancies on the count cards/listings. Count all the items during the first count. Pull and count the items in all open or nonstandard unit pack boxes or

containers. Do not open any contractor sealed containers unless the quantity cannot be determined. Any computations used to get the total of inventory count is written on the count cards/listings. Personnel assigned as counters must sign (or initial) and date the inventory cards/listings after completing the inventory count.

FIRST COUNT VALIDATION AND SECOND COUNT REQUIREMENT.— The quantities are summarized by cognizance symbol (COG), national stock number (NSN), purpose code, and condition code. After summarization, the items are matched against the stock record quantities. If there are discrepancies on quantities, review the infloat transactions and material and adjust counts as required.

The item is considered reconciled and the inventory is complete if the following results are achieved:

- The adjusted first count quantity matches the stock record quantity
- The difference between the adjusted count quantity and the stock record actual cutoff quantity is $800 or less and the material is not a controlled item

A second count is taken for all discrepancies in sensitive and controlled items. A second count is also taken for discrepancies of $800 or more between adjusted counts and stock record actual cutoff quantities.

The second count must not begin until the following actions are completed:

- All first counts for a specific NSN and condition code have been accounted for
- The infloat transactions and materials have been considered and compared with stock record balances

SECOND COUNT VALIDATION AND THIRD COUNT REQUIREMENT.— The second count quantities are summarized by COG/NSN/purpose code/condition code. Review infloat transactions and adjust counts as required. If the adjusted second count quantity matches the stock record actual cutoff quantity, the item is reconciled and the inventory is complete.

If the first and second count do not match and the potential adjustment value is less than an activity's threshold (see Table 5-3), the second count is used for adjustment purposes.

Table 5-3.-Research Threshold

VALUE OF INVENTORY	RESEARCH THRESHOLD
Up to $100 Million	$ 2,500
$100 to $800 Million	$ 5,000
$800 Million to $1.5 Billion	$10,000
Over $1.5 Billion	$16,000
NOTE: The value of inventory is determined by the combined NSA and APA dollar value of material in stock. This value should not include DLA owned material, fuel, aircraft engines, SERVMART, shop stores, and ready supply stores. For example, if the total dollar value of stock point inventory is $105 million, then all physical inventory adjustment gains and losses of $5,000 or more will be selected for causative research.	

A third inventory count must be conducted for the following reasons:

- The first and second count do not match and the potential adjustment is over the activity's research threshold
- The item under inventory is sensitive or controlled

Before starting the third count, ensure the following actions are completed:

- All second counts for a specific NSN and condition code have been accounted for
- The infloat transactions and material have been considered
- The count quantities are compared with the cutoff balance

If the adjusted third count quantity matches the stock record actual cutoff quantity, the item is reconciled and the inventory is complete.

if the adjusted third count matches an adjusted count (first or second), use the adjusted third count. If none of the adjusted counts match, use the adjusted count closest to the stock record actual cutoff quantity.

Time Frame for Processing Inventories

There are two reasons for assigning a time frame for processing physical inventories.

First, timely processing is essential in reconciling the physical counts and in-process transactions with record balances. Delays in processing adversely affect stock point operations.

Secondly, the DSCs have automatic control features that will cancel the inventory after a specified number of days. Inventory counts received after the controls have been lifted will not proms. As a result, the DSC records will not be reconciled or updated. If this happens, the stock point has wasted its mourns.

The scheduled inventories requested by Navy activities must be completed within 30 calendar days of the actual cutoff date. Inventories requested by DSC must be completed within the following time frames:

- For a complete inventory, the results must be forwarded within 30 days of the actual cutoff date.
- For a sample inventory, the results must be forwarded within 20 calendar days of the actual cutoff date.

Unscheduled inventories requested by Navy or DSC must be completed within 15 calendar days of the actual cutoff date.

Physical Inventory Adjustments

When a discrepancy between the physical count and stock record cannot be reconciled, an adjustment must be processed. The adjustment will result to a gain or loss on the stock record.

Reversal of Inventory Adjustment

The *Military Standard Transaction Reporting and Accounting Procedures* (MILSTRAP), DOD Manual 4140.22-M, permits the reversal of inventory adjustments. The inventory adjustment must be within 365 days from the date of the adjustment. Reversals of inventory adjustments are permitted only if the following conditions are met:

1. If the original adjustment can be identified, inventory adjustment reversals will be permitted.

2. There has been no separately identifiable physical inventory conducted between the date of the original adjustment and the date the reversal is attempted. If an inventory has been completed between the date of the original adjustment and the date reversal action is attempted, the reversal will not be permitted. If an inventory has been initiated subsequent to original adjustment, and causative research indicates the original adjustment was erroneous, a reversal of the original adjustment is permitted.

3. There are documentations to support the conclusion that the adjustment is in error.

4. Reversals to adjustments greater than 90 days old must be approved by the inventory accuracy officer according to NAVSUPINST 4440.132.

5. Adjustments must be reversed through credit loss or gain procedures. Transactions should not be reversed by complimentary financial transactions. For example, an M4 loss should not be reversed by a D4 gain, but with a credit loss. Refer to Table 5-4 for definitions of M4 and D4 financial inventory report (FIR) codes.

Special Reporting Requirements

Results of inventory for controlled items require a report to be submitted to the applicable item manager. A Missing, Lost, Stolen, or Recovered (MLSR) property report is required whenever there has been a gain or loss of sensitive material. The MLSR report is used only as an initial report. ADD Form 200, SF 364, or SF 361 is required as the final documentation of the gain or loss. The DD Form 200 is the *Financial Liability Investigation of Property Loss.* The Standard Form (SF) 364 is the *Report of Discrepancy.* Standard Form (SF) 361 is the *Transportation Discrepancy Report.* Refer to SECNAVINST 5500.4 for detailed information concerning the MLSR report.

Table 5-4.-Inventory Adjustment FIR Codes

FIR CODE	DEFINITION
D4	Inventory adjustment (gains), Physical inventory
D5	Inventory adjustment (gains), Incoming shipments
M4	Inventory adjustments (losses), Physical inventory and In-House
M5	Inventory adjustments (losses), Incoming shipments
M6	Inventory adjustments (losses), Shrinkage, Fire, and so forth.

Causative Research

In inventory management, causative research is an in-depth investigation of selected inventory adjustments to find out how they occurred. The errors found as a result of the causative research effort must be corrected. Unprocessed or incorrectly processed inventory adjustments need to be corrected to accurately reflect audit trail history. A summary of the causative research must be submitted to direct management actions to prevent reoccurrence.

TIME FRAME.— Causative research should be conducted after the physical inventory is completed and adjustments are processed to the stock records. The causative research must be completed within 45 days of the date that the adjustments are processed to the stock record. Causative research may be conducted before the completion of physical inventory if the time frame for processing inventories is met.

ERROR CAUSES.— The error causes identified by the causative research are summarized and provided in the physical inventory section of the DOD Inventory Control Effectiveness Report. A local management briefing must be conducted quarterly to discuss the summarized causative research results.

DLA-OWNED MATERIAL.— Stock points do not conduct causative research of DLA owned material unless directed by the appropriate DSC. The DSCs may request a causative research to be performed by stock points according to the MILSTRAP.

Location Survey

The procedures used for conducting location surveys depend upon the system being used by the activity.

STATLOC ACTIVITIES.— Activities using the statistical location (STATLOC) survey system should perform a sample location survey quarterly. Samples used for a location survey are drawn from the total population of recorded locations. To ensure that the sample's size is large enough, activities should serialize the STATLOC run. This allows each serial group to have its sample size determined independently.

Activities are required to maintain at least a 98-percent location survey accuracy rate in all warehouses/warehouse areas. If the accuracy rate is below 98 percent, the following actions are performed within 90 days of the initial sample survey date:

- Conduct a 100 percent location survey of the warehouse/warehouse area that failed the criteria. This method is recommended for low-dollar value items with high on-hand quantities.

- Conduct a 100 percent physical inventory of the warehouse/warehouse area that failed the criteria. This method is recommended for areas with high-dollar value items and low on-hand quantities.

All STATLOC activities will conduct a location survey for all locations at least once every 3 fiscal years.

NON-STATLOC ACTIVITIES.— Activities without the STATLOC system may use a sampling approach to location survey if the method is approved by COMNAVSUPSYSCOM. In this case, the same procedures as for the STATLOC activities apply. Activities not using the sampling approach must perform one of the following actions:

- Complete a location survey of all locations once each fiscal year. A 100-percent physical inventory of all items in a warehouse/warehouse area satisfies the annual location survey requirement for that area.

- Complete physical inventory of all items in storage once each fiscal year.

Location Survey Report

Upon completion of location survey requirements, stock points must submit the Location Survey Section of the DOD Inventory Control Effectiveness Report. Refer to enclosure 7 of NAVSUPINST 4440.115 for procedures in preparing the report.

Quality Control Checks

Stock Points are required to perform quality control checks according to NAVSUPINST 4440.184. The purpose of the quality control check is to identify the systems, procedures, or human errors that adversely affect the accuracy of stock records. Management level uses the result of these checks to resolve any deficiencies.

Performance Measurements and Goals

The location survey, location reconciliation, and inventory performance must be monitored and compared with the goals described in the following paragraphs.

For line item accuracy, the performance goals are 98 percent for class A-high dollar value (unit price

greater than $1,000), 95 percent for class B-high readiness (item military essentiality code 3,4, or 5),95 percent for class C-high variability (average quarterly demand greater than 3 or unit of issue not equal to each [EA]), and 95 percent for class D-all other.

Stock points will maintain a location survey of no less than 98 percent each quarter.

The computation for gross monetary adjustment (GMA) rate excludes SERVMART/manual ready supply stores/shop stores and fuel. The gross adjustment rate is expressed as the ratio of absolute dollar value of gains plus losses to the value of line items inventoried plus in-house receipt losses. The gross adjustment rate should not exceed 3 percent per quarter.

The location reconciliation between the NAVICP and stock points will be maintained at no less than 97 percent accuracy rate.

The financial adjustments (gains and losses) to SERVMART must not exceed one percent of the dollar value of sales that have transpired since the last scheduled inventory.

The net total of the adjustment gains and losses for shop stores/manual ready supply stores are computed by cognizance (COG) symbol. The adjustments for each Navy Stock Account (NSA) and Appropriation Purchase Account (APA) COG should not exceed one percent of dollar value throughput (receipts and issues). When the adjustment goal is exceeded, the stock point must provide an explanation for adjustments. Refer to NAVCOMPT Manual, Volume VIII, *Financial Inventory Accounting, Reporting, and Billing* for additional information.

Gains and losses of bulk petroleum products must not exceed the standards provided by DOD Manual 4140.25-M and OPNAVINST 4020.25. All monthly loss adjustments greater than established standards require survey action.

Retention of Records

It is necessary to keep records of inventories and actions directly affecting inventories such as location surveys, warehouse refusals, receipts, and so forth, to provide an audit trail. These records help in conducting research and in preparing required reports.

Stock points must retain records as follows:

- Retain records pertaining to physical inventory such as the inventory counts, adjustments, schedules, and so forth for a minimum of one year. For sensitive items, arms, ammunitions, and explosives, retain for 1 year if there is no adjustments or 2 years if adjustments are processed.

- Retain transaction ledgers and causative' research packages for two years.

- Retain the location survey listings and unmatched and manually prepared location survey cards for one year. STATLOC activities are required to retain only the listings and reports applicable to errors that have been corrected.

- Retain source documents of receipts and issues for one year. Foreign military sale (FMS) issues are retained for 2 years.

- Retain reports of discrepancy (ROD), MLSRs, and surveys (Financial liability investigation of property loss, DD Form 200) for 2 years.

- Retain location reconciliation listings, cards, and other records pertaining to location reconciliations for 1 year.

- Retain physical inventory, location survey, and location reconciliation reports for 2 years.

AFLOAT

The procedures of inventory management afloat are basically the same as the procedures ashore. They require an accurate allowance list, stock records, transaction processing, and a system of adjusting stock record balances with actual physical quantities of material on hand. In addition, establish a method to record and evaluate material usage data so that future requirements can be anticipated. The main objective of supply inventory managers and supervisors afloat is to make sure there is a balance between material requirements and assets on hand to support the ship's assigned mission.

MATERIAL MANAGEMENT

Effective material management procedures afloat require personal involvement by supply managers and supervisors in all supply functions. Supervision and training are vital to the supply department's ability to support the assigned operating departments and deployed units. Properly performed tasks, along with keen supervision often results in an effective material management program. Some of these supply tasks are allowance list maintenance, issue control processing,

receipt control processing, inventory count procedures, and stock record maintenance.

INVENTORY MANAGEMENT SEGMENTS

The AK basically deals with material inventories consisting of consumables and repairable.

1. Consumables refer to administrative and housekeeping items, tools, forms, repair parts, and other materials consumed by end users.

2. Repairable refer to components, assemblies, subassemblies, and modules determined by the Navy manager as economically repairable when it becomes unserviceable.

Repair parts and consumable segments consist of peacetime operating stock (POS) and non-POS allowance list items, nonallowance POS items, and material scheduled for off-load. Repairable are stock items that, if returned to service through repair cycles, can achieve inventory savings. Some repairable management programs are covered in other chapters of this training manual (TRAMAN).

Allowance List Non-POS Items

Allowance list non-POS items are items carried in stock based on allowance quantities established in the consolidated shipboard allowance list (COSAL), aviation consolidated allowance list (AVCAL), or load list.

Allowance List POS Items

Allowance list POS items are items carried in stock based on quantities established in the COSAL, AVCAL, or load list plus additional quantities as determined by demand and frequency recorded in the stock records.

Non allowance POS Items

Nonallowance POS items are items carried in stock based on the activity's demand requirements, but not included on any allowance list.

Material Scheduled for Off-Load

Material scheduled for off-load are items in stock but no longer required because of a reduction in allowance quantities or classified as excess material.

OBJECTIVES

The following are some of the basic objectives of inventory control procedures afloat:

- Focus attention on very few items that will satisfy the majority of the onboard demands for material
- Maintain an accurate consumption data required for the 3-M systems program and for maintaining adequate supply levels
- Maintain a historical demand data file for not carried (NC) items
- Reduce physical inventory requirements and prescribe standard inventory procedures
- Provide for effective management of controlled equipage, depot level repairable (DLRs), and presentation silver

STOCK LEVELS

The policy for managing the range and depth of stock material that each ship is required to carry for self-support is describe din OPNAVINST 4441 .12. The average endurance levels of demand based repair parts and equipment related consumables to be carried by an aircraft carrier is 75 days. For nonequipment related, the average endurance level is 60 days. Stock records are grouped as either POS or non-POS for the purposes of levels computation (demand history processing).

Stock levels for non-POS records are established with the requisitioning objective (RO) set equal to the various allowance quantities. The reorder point (RP) is set to one less than the RO, or to a percentage factor of the RO.

Note: The RO is the same as the high limit and the RP is the same as the low limit.

For POS material stock records, the RO and I/Pare computed by SUADPS-RT programs. The RP is equal to the order and shipping level, plus the safety level. The RO is equal to the RP quantity plus the operating level quantity.

SPECIAL MATERIAL MANAGEMENT PROGRAMS

Some of the special material management programs related to inventory management are discussed briefly in the following paragraphs.

Contingency Support Package (CSP)

CSP material is stock material considered essential to mission support of deployed Marine Corps aviation units. Stock records for designated items are identified and material is stored in such a manner that removal and shipment can be done quickly.

Maintenance Support Package (MSP)

MSP materials are small, fast-moving, low-cost, consumable aviation repair parts. MSP material is under the custody of the supply officer and, when possible, should be located near the aircraft intermediate maintenance department (AIMD).

Pre-Expended Bin (PEB)

Materials in the PEB are maintenance-related, high-usage items with a unit cost of $150 or less. However, commanding officers may increase the PEB unit price limit. To qualify as a PEB item, the material must experience three demand frequencies per month. The demand frequency in this case does not necessarily mean the number of times the item is requested from supply, but to the number of times the item is required for maintenance jobs. For example, one transaction of machine screws with a unit of issue of hundred (HD) represents one issue by supply, but may represent several applications to different maintenance jobs. PEB items are expended from supply department records and placed in locations convenient to maintenance personnel on a free issue basis. The quantities of PEB items is limited to one month's supply except for items assigned with a unit of issue (for example, gross) that may exceed the maintenance requirements for one month.

SEAMART

SEAMARTs are established to provide a convenient method of issuing low-cost, high-usage consumable items. Material carried in SEAMART must meet the frequency of demand and unit price limits established by the ship's supply officer. TYCOM approval is required to establish a SEAMART.

Aviation Fly-In Support Package (FISP)

Materials in the FISP consist of selected aviation repair parts that accompany aircraft deploying to an amphibious operating area. The purpose of the FISP is to provide temporary organizational level supply support until such time that intermediate level facilities and materials become available. Material in the FISP is in addition to normal AVCAL allowances. The FISP is maintained as a protected stock asset by Marine Corps aircraft groups (MAGs) that provide aircraft to the maritime prepositioned ship's marine amphibious brigade aviation combat element.

Maintenance Assistance Modules (MAMs)

The MAMs are replaceable assemblies required to execute approved maintenance plans that call for progressive or selected module substitution. The MAMs are considered as DLRs and are under the management control of the supply officer, but may be located in the operating and maintenance spaces under the subcustody of the operating or maintenance personnel.

Test Bench Installations (TBIs)

The TBIs are similar to MAMs. They are DLRs installed within a test bench and used as part of the test bench to isolate faults. The initial requirements for TBIs are identified during the AVCAL process but are not included as part of the freed allowance. The TBIs are issued to the custody of the intermediate maintenance activity (IMA) by the supply officer.

Controlled Equipage

Controlled equipage refers to those items of equipage that require special management control. Refer to Appendix II of NAVSUP P-485 for a list of items classified as controlled equipage.

PHYSICAL INVENTORY AFLOAT

Physical inventories are conducted on a scheduled or unscheduled basis to determine the accuracy of, and adjust differences between, storeroom quantities and stock records. The frequency of inventories is dependent upon the category of material involved and the degree of validity of the stock records. Preplanning and accuracy are the key factors for an effective inventory management afloat.

Inventory Schedule

Physical inventories afloat should be scheduled to permit accurate and timely physical counts, preliminmy and causative research, and posting to the stock records. Regular inventories of small lots are preferable to

occasional inventories of a large range of items. Physical inventories should be conducted at a time when storeroom transactions can be frozen, except for emergency issues.

An inventory schedule outlines, in progression order, the segments of material planned for physical inventory during a fiscal year. The schedule is prepared by the supply officer before the start of each fiscal year and lists the material categories and frequency as shown in table 5-1.

The inventory schedule for stock material in other than supply department custody should reflect the time frames jointly determined by the supply officer and the respective department heads. For each segment listed, the schedule must indicate the number of items to be inventoried, the applicable storerooms or storage areas, and the inclusive dates during which inventory of each segment is to be done. The schedule should also include a column for recording the accuracy rate of the stock records for each completed inventory.

The supply officer should exercise maximum control to make sure the inventory schedule is followed. Storage and stock control supervisors must coordinate the scheduling of inventories for each storeroom so that the y can be conducted at a time when storeroom transactions can be frozen (except for emergency issues), and so that the receipt and issue documents in process can be completed before the inventory begins. Refer to chapter 6 of NAVSUP P-485 or chapter 7 of NAVSUP P-567 for a sample of an inventory schedule.

Preparation for Inventory

Before the physical inventory, all outstanding receipts and issue transactions, suspense items, overdue receipts, and pending issues must be processed. Materials included in the stock segment to be inventoried are inspected and arranged accordingly. The supply department personnel or departmental custodians must ensure that the following actions are taken:

- Loose units of small items are packaged in standard bulk lots
- All items are properly marked, labeled, and tagged
- Cartons and Containers are stored with labels or other identifying information plainly visible
- Uniform-sized packages are stacked in rows and tiers to speed up the counting process
- Containers with broken seals and full counts of originally packaged quantities are resealed

ADVANCE NOTICE.— At least one week before a scheduled inventory of stock material, the supply officer should publish an official notice (normally in the plan of the day) of the segment of stock to be inventoried and the inclusive dates during which the inventory will be taken. The notice should include a statement to the effect that while the prospective inventory is in progress, issue of items included in the material segment being inventoried is restricted to emergency requirements only.

INVENTORY PERSONNEL.— The physical inventory of stock material and controlled equipage in the custody of the supply department is the responsibility of the supply officer. The supply officer provides advisory assistance to other department heads during the physical inventory of material in their custody. The personnel in the inventory team are assigned by the supply officer. The inventories are normally performed by the material custodians provided they are considered properly qualified. In some cases, inventories for special items may be performed by the supply officer or a specifically designated person. Some of the special items are classified material, precious metals, narcotics, and so forth.

QUALITY ASSURANCE.— A quality assurance (QA) team should be established in the supply department. 'he team consists of a permanent group of trained personnel. The purpose of the QA team is to verify the accuracy of completed physical inventories and location audits. The QA team should sample at least 5 percent of the inventoried material. The accuracy of the physical count and location audit accuracy should be according to the requirements listed in table 5-1. If these goals are not reached, a complete physical inventory should be repeated.

Inventory Reconciliation

Reconciliation is the process of resolving all inventory discrepancies between the actual count of material and the stock record balances. The inventory reconciliation process depends on the type of material being inventoried, the cost of the material, and the circumstances responsible for the discrepancy. Procedures for reconciliations are discussed in the following paragraphs.

PRELIMINARY RESEARCH.— All potential inventory adjustments in excess of $500 per line item are subject to preliminary research to determine the

correct asset and record balance. This research should consider all recent transactions, any unposted or rejected documentation, a thorough search of adjacent or temporary locations, and the verification of catalog data such as unit of issue or stock number changes.

CAUSATIVE RESEARCH.— Causative research is an in-depth investigation of specific physical inventory discrepancies to determine why they occurred so that corrective action can be taken. This consists of a complete review of all transactions including receipts, issues, change action location changes, and unposted or erroneous documentation. Causative research is conducted for any one of the following situations:

- When classified or sensitive items are involved
- For adjustments of $500 or more for pilferable items
- For any adjustment of $2,500 or more
- When there is an indication of fraud, negligence, or theft
- For all adjustments of depot level repairable

Causative research is normally conducted after posting an adjustment to the master stock record. The research must be completed within 30 days from the date of the adjustment posted to the master stock record. Any adjustments selected for causative research are made in the following priority basis

1. Adjustments of controlled items (sensitive, classified or pilferable)
2. Items pending survey transactions
3. All other adjustments, grouped together based on dollar value with the highest dollar value errors researched first

The supply officer reviews the results of causative research on a periodic basis and initiates actions to eliminate the recurrence of such discrepancies.

INVENTORY ADJUSTMENTS.— An inventory adjustment is a gain by inventory (GBI) or loss by inventory (LBI). Preliminary or causative (as applicable) research is conducted for inventory adjustments after the adjustments are posted to the master stock record. Inventory adjustments are not authorized before performing a spot inventory for the following file maintenance actions:

- Requisition file maintenance
- Requisition history file maintenance
- Unmatched listings
- Suspended and error listing processing

ADJUSTMENT REVERSAL.— In the case where the causative research reveals that an inventory discrepancy was caused by a previous adjustment, the previous adjustment must be reversed. The reversal can only be processed if the adjustment is within the allowed look-back period The look-back period is defined as a minimum of 12 months or back to the last major inventory, whichever is longer. Reversals are based on research of documents used in a previous erroneous adjustment. Offsetting gains and losses posted in a previous fiscal year may not be reversed without evidence of a corresponding current year inventory transaction. Process the reversals as follows:

- Reverse the adjustment by a credit loss or credit gain to the erroneous adjustment
- Process the reversal against the original transaction. A reversal is not permitted when the original adjustment cannot be identified.

SUPPORTING DOCUMENTATION.— All supporting documentation is maintained for 3 years for all adjustment reversals greater than $100 and in all cases where causative research is required. This documentation is signed by the person responsible for performing the research. The documentation is used to provide a clear and reasonable cause and effect relationship in justification of a specific inventory adjustment or reversal.

Unless delegated to the supply officer, the commanding officer signs the supporting documentation (DD Form 200) for the following cases

- The physical gain or loss by inventory is greater than $2,500 per line item
- The item is a depot level repairable
- The commanding officer is responsible for signing the DD Form 200 in all the following cases:
- When there is an indication of frau, negligence, or theft
- When the physical gain or loss by inventory is greater than $10,000
- When the adjustment involves classified or sensitive items, arms, ammunition, or explosive items

The supporting documentation may vary by circumstances but should consist of the following documents:

1. For adjustments or reversals requiring preliminary research, a checklist of actions taken during preliminary research such as search of adjacent locations, research of unposted or erroneous transactions, or verification of catalog data.

2. For adjustments or reversals requiring causative research, the following is a list of the necessary supporting documentation:

- A checklist of actions taken during preliminary research
- Receipt, issue, or transfer documents relating to the investigation
- Cumulative transaction ledger or master stock record probes
- Survey documents
- Unmatched listings
- Repair parts petty officer (RPPO) or AIMD logs
- Mandatory turn-in repairable (MTR) or carcass tracking documents (including beyond capability maintenance [BCM] log)
- Detailed list of DLRs
- Any other supporting documentation

Inventory Count Procedures

A complete and correct item count is basic to a physical inventory which, in turn, results in greater stock record accuracy and better inventory control. Detailed procedures for the inventory count afloat are described in *Automated SNAP 1 Supply Procedures,* NAVSUP P-567, and *Afloat Supply Procedures,* NAVSUP P-485.

The inventory options available for use on SUADPS-RT ships readily adapt to the inventory schedule and needs of the inventory supervisor. In automated ships, the inventory supervisor can tailor the inventory in anyway that fits the applicable needs. You should familiarize yourself with all the applicable document identifiers to perform a specific task.

Recording Inventory Results

The results of physical inventory must be recorded on the manual or automated files used by the activity. For manual procedures, refer to NAVSUP P-485. For automated procedures, refer to SUADPS-RT support procedures or other supporting publications.

Inventory Accuracy Standards

Upon completion of the physical inventory and reconciliation of the stock records, the count and adjustment documents must be reviewed. The documents are reviewed to determine the number of items inventoried and the number of location or quantity errors both corrected or adjusted. As a minimum, an accuracy rate of 90 percent is considered acceptable (refer to TYCOM instructions for additional guidance on validity standards). If the accuracy rate is below standard, the supply officer immediately initiates action to ensure more effective maintenance of stock records.

Location Audits

The purpose of the location audit is to verify that material in storage locations agree with the location in the stock record. A location audit should be scheduled so that it is done just before the scheduled inventory of a particular storage area. All storage areas (100 percent) must be audited on an annual basis.

A well-managed location audit program (LAP) reduces inventory efforts and improves the supply effectiveness and inventory accuracy. The LAP also improves the use of all available storage space.

PROCEDURES.— Location audit procedures are contained in NAVSUP Instruction 4440.185, TYCOMs' directives, and NAVSUP P-567. The stock number, location, unit of issue, and shelf-life expiration date are verified during a location audit.

LOCATION AUDIT VALIDITY.— The location validity rate is computed upon completion of a location audit for a particular storeroom or storage area. The accuracy rate for a location audit is 98 percent. The rate is computed by auditing 5 percent of the locations involved and subtracting the number of erroneous locations from the total number of locations audited. Then, divide the difference by the total number of locations audited and the result is the accuracy rate. As an example, for 850 locations validated with 17 errors, the following applies:

850-17=833

833 + 850= 98% accuracy rate

An accuracy rate of less than 98 percent for a particular storage area is considered unsatisfactory and

is reason to conduct additional validations or a random sampling inventory in that area. The supply officer may require additional corrective action or training (or both) depending on the severity of the location or inventory accuracy problem. This may requite a complete review of current supply practices, the use of SUADPS-RT, and assistance from the TYCOM or Navy Management Systems Support Office (NAVMASSO) supply management teams.

Inventory Reports

The fleet commanders report the gross inventory adjustments, by type commander, to COMNAVSUP-SYSCOM on a quarterly basis. Upon completion of an inventory segment of material afloat, the accuracy rate is entered on the inventory schedule. Results of spot inventories are reported to the requesting activity.

SPECIAL INVENTORIES

Other categories of material have various storage, inventory, and reporting procedures. Although only a few AKs work with these materials, you as the supervisor should know the basic procedures for managing them.

AIRCRAFT

The complete aircraft is not carried in any stores account or equipage record. During the transfer or receipt of an aircraft, specific items or equipment must be inventoried. The aircraft inventory is accomplished to establish a formal and continuous chain of accountability of specified material. Specified items for inventory is listed in the *Aircraft Inventory Record (AIR) Equipment List,* OPNAV 4790/111. The AIR is applicable to all aircraft of a specified type/mode/series (TMS) and lists selected material and equipment. A master aircraft inventory record (MAIR) that identifies installed and loose equipment requiring inventory is maintained by Naval Air Systems Command (NAVAIRSYSCOM). The MAIR serves as a checklist for items requiring inventory, provides reasons/authorizations for shortages, and documents certificates of accountability.

Other items besides those listed in the AIR must be inventoried. The equipment listed in or comprising subsystem of the applicable mission essential subsystem matrix (MESM) must be accounted for before transferring the aircraft. The accountability of most MESM items is done by system operations checks and maintaining a maintenance action form or facsimile file. Any missing MESM-related items must be identified in the AIR as shortages even though the item is not listed in the AIR equipment list.

The AIR consists of the following parts: Certification and Record of Transfer, OPNAV Form 4790/104; Binder, OPNAV Form 4790/109; Title Page and Sectional Breakdown Diagram, OPNAV Form 4790/110; Equipment List, OPNAV Form 4790/111; and Shortages, OPNAV Form 4790/112. OPNAV Instruction 4790.2, provides detailed procedures for the use of the aircraft inventory record.

When an aircraft is to be transferred on site, designated inventory teams from the transferring and accepting activities jointly inventory the aircraft using the AIR. Entries are made in the appropriate columns of the Equipment List, OPNAV Form 4790/111, indicating the quantity of each item on board the aircraft at the time of transfer. Any items missing and not available for transfer with the aircraft are identified on the AIR Shortages, OPNAV Form 4790/112. A Certification and Record of Transfer, OPNAV Form 4790/104, is completed at the time of transfer.

When a ferry pilot is required to effect an aircraft transfer, two inventories are made. One inventory is made before the ferry flight by the transferring activity and one inventory is made upon completion of transfer by the accepting activity. The aircraft ferry pilot does not participate in these inventories, except to accept custody of pilferable and classified equipment from the transferring activity and to transfer custody of these items to the accepting activity.

When an aircraft is delivered to a depot or contractor facility and is scheduled to be returned to the same organization after testing or rework projects, items not requiring rework or required by the testing activity are retained by the reporting activity. All such removals are appropriately noted on the OPNAV Form 4790/112 to relieve the depot or contractor activity of accountability requirements.

When an aircraft is being prepared for transfer to the Aerospace Maintenance and Regeneration Center (AMARC) for storage, any AIR items used to protect the aircraft from damage, to make the aircraft safe for maintenance, or required for passenger support remain with the aircraft. Questions concerning disposition of AIR items before transfer of aircraft to AMARC should be forwarded to NAVAIRSYSCOM via the chain of command.

CONTROLLED EQUIPAGE

Controlled equipage consists of items that require special management control because they are essential for the protection of life or are relatively valuable and easily converted to personal use. Items classified as controlled equipage are listed in appendix 11 of NAVSUP P-485. The list includes only those items selected (or approved) by the fleet commanders in chief to be included in this category. Proper inventory management of controlled equipage issued for end use requires the maintenance of separate custody records for individual items; physical inventories; surveys of lost, missing, or Unserviceable items; and periodic reports of consumption, deficiencies, and excesses to the cognizant TYCOM. Controlled equipage is in the custody and inventory control of cognizant department heads.

All Controlled equipage is inventoried biennially, in each odd-numbered year, during the period between 15 February and 15 March. Additional inventories, which must be completed within 30 days after the commencement date, are required in the following cases: upon commissioning, inactivation, or reactivation of an activity; upon relief of a department head for those items in the custody of the department concerned; and upon change of command at the discretion of the relieving commanding officer.

When a shipwide inventory of controlled equipage has been taken during the six-month period preceding 15 February, the biennial inventory requirement for the current year is considered to be satisfied. Inventory taken incident to the relief of department head must be conducted jointly by the relieved and relieving department heads. This joint inventory must be completed (including surveys) before the detachment of the relieved department head.

The Controlled Equipage Custody Record, NAVSUP Form 306, is used as a custody record and inventory control document for controlled equipage. The originals of the NAVSUP Form 306 are maintained by the supply officer and, when not in use, are kept in a locked file. All entries concerning receipts, expenditures, and inventories are posted to the NAVSUP Form 306. When a new NAVSUP Form 306 is required, information from the old custody record is copied and the balance carried forward to the new card. The old NAVSUP Form 306 is retained for 36 months from the date of the last inventory entry in the inventory record section.

When the inventoried quantity of a controlled equipage item does not agree with the custody record balance, a receipt or expenditure entry (as appropriate) is required to adjust the custody record balance. Such adjustments may be made only after recount, investigation, and research have been unable to reconcile the difference. When the gain difference cannot be reconciled, a GBI is posted to the Transaction Record column, and for a signature-required item, the responsible department head's signature is required to acknowledge custody of the increased quantity. When the loss difference cannot be reconciled, the expenditure of the deficient quantity must be documented on a DD Form 200. Surveys are also required for any unserviceable items discovered during the inventory. When the survey is for an item suspected of being stolen, its loss must be reported to the Naval Criminal Investigative Service Headquarters (NCISH), 2461 Eisenhower Avenue, Alexandria, VA 22314. Additional guidance for reporting theft can be found in SECNAV Instruction 5500.4. The term loss by inventory or LB I is not an authorized entry in controlled equipage records.

Upon completion of a controlled equipage inventory, each department head submits a letter report to the commanding officer, with a copy to the supply officer. When controlled equipage is inventoried on change of department head, the letter report must be signed by both the relieved and relieving department heads. Letter reports include the following information:

- Controlled equipage inventory has been completed
- Surveys applicable to shortages and unserviceable items have been submitted (or reasons why they have not been submitted)
- Issue requests applicable to shortages and unserviceable items requiring replenishment have been submitted to the supply officer (or reasons why they have not been submitted)
- List of excess controlled equipage items, including justification or authority for any excess items desired to be retained

Detailed procedures for the physical inventory of controlled equipage and entries required on the NAVSUP Form 306 can be found in NAVSUP P-567 and NAVSUP P-485.

INDIVIDUAL MATERIAL READINESS LIST (IMRL)

The IMRL is a consolidated allowance list specifying authorized quantities of aviation support equipment (SE) required by a particular activity to perform its assigned maintenance level functions.

An IMRL is constructed for all Navy and Marine Corps aviation maintenance activities by extracting applicable portions of Support Equipment Resources Management Information System (SERMIS) data. The on-hand quantity listed in the IMRL is based on physical inventories and reported by IMRL transaction reports. An IMRL transaction report is submitted each time the status of any IMRL item changes, such as receipt, transfer, or survey. In addition to these transaction reports, an annual inventory must be conducted for all IMRL items and the results reported according to procedures outlined in NAVAIR Instruction 13650.1. An annual inventory is conducted to ensure a sufficient quantity of IMRL items are on hand and to verify the condition of each item. Additional information for IMRL inventory and reporting is contained in OPNAVINST 4790.2.

SHELF-LIFE MATERIAL

Generally, items in the supply system that have an expected shelf-life greater than 60 months are not included in the shelf-life program. However some medical supplies, personnel parachutes, and special items included in the shelf-life program are assigned shelf-life code X. Certain rubber products with an expected shelf-life greater than 60 months are not included in the shelf-life program. These items have shelf-life code of O or O (zero). Although these rubber items are excluded from the program, they should not be issued, returned for credit, or used if the use-by-date has passed. The use-by-date is typically expressed by month and year with the day of the month being the last day. AU shelf-life items are assigned shelf-life codes and shelf-life action codes.

Shelf-Life Codes

A shelf-life code is a single alphabetic or numeric code that denotes the shelf-life span of material from the date of manufacture to the date when it should be disposed of or tested according to the inventory manager's instructions to extend the shelf life. Type I (alphabetic) codes apply to items for which shelf life cannot be extended. Type II (numeric) codes apply to items for which shelf life can be extended. See table 5-5 for a list of shelf-life codes. Shelf-life codes can also be found in the appendices of NAVSUP P-485 and NAVSUP P-567.

Shelf-Life Action Codes

The Shelf-life action codes are composed of two characters. The codes may be a combination of two letters, two numbers, or letter and number. The following are examples of shelf-life actions codes

Table 5-5.-Shelf-Life Codes

Shelf-Life Codes		Shelf-Life Period
Type I	Type II	
O	0	Nondeteriorative
A	–	1 month
B	–	2 months
C	1	3 months
D	–	4 months
E	–	5 months
F	2	6 months
G	3	9 months
H	4	12 months
J	–	15 months
K	5	18 months
L	–	21 months
M	6	24 months
N	–	27 months
P	–	30 months
Q	7	36 months
R	8	48 months
S	9	60 months
X	X	Military essential and medical items with shelf-life longer than 60 months

CODE **DEFINITIONS**

CO - Check/inspection/test in accordance with inventory manager's instructions.

RD - Replace all deteriorated and nonmetallic components subject to deterioration. Disassemble the item and process to the level required to permit replacement of deteriorable items; test to post overhaul standards and return to stock as ready for issue (RFI) item with fully restored storage time limitations. Mark the exterior package with the last date of overhaul.

T_ - Test the item. If correct, extend the shelf life by the number of months indicated by the shelf life code following the T after which process in accordance with code RD.

UU - Unsuitable for restoration to issuable status. At the end of shelf life period, dispose of the material according to existing instructions.

The shelf-life action code is assigned to a shelf-life item for the following reasons:

- To specify the type of inspection, test, or restorative action to be taken when the item has reached its storage shelf life
- To specify the extension of the shelf-life time period after the test or restorative action has been completed

A complete explanation of each shelf-life action code is described in the appendices of NAVSUP P-567 and NAVSUP P-485.

Management Procedures

Shelf-life management procedures are designed to accomplish the following objectives:

- To reduce the financial loss because of the nonutilization of deteriorative items before the shelf-life expiration date
- Ensure that overaged material, that may be ineffective or unsafe, is not installed in shipboard or aircraft systems.

Shelf-life material is inspected periodically for condition and expiration dates. When multiple quantity items have been inspected and found to have different expiration dates, they should be rearranged, if necessary, to place units with the earliest expiration date in front of the others so the older stock is issued first.

Expired Shelf-Life

Expired type II shelf-life items are restored according to applicable shelf-life action codes (SLAC). The SLAC may be listed in the technical publications or the cognizant inventory manager's instructions or both. When these items can be restored, the expiration dates on the stock labels are then extended, as appropriate. Expired type 11 shelf-life items that are not within the ship's capability to restore are turned in to the nearest shore supply activity.

Expired type I shelf-life items are normally disposed of by removing from stock and then destroying them unless the overage items can be used safely for secondary purposes not requiring material in ready-for-issue condition.

Inventory Review

The shelf-life item inventory is reviewed and compared with anticipated requirements to guarantee timely turn-in of those items not used or restored by the ship before the expiration date. Type I shelf-life material is not turned in to supply activities in the United States (including Hawaii) if the extended cost of the item is less than $50 or the remaining storage life is less than 3 months. Type I shelf-life material is not turned in to the supply activities in Alaska or overseas bases if the extended cost of the item is less than $100 or the remaining storage life is less than 6 months.

Condition Code

The supply condition codes are assigned to shelf-life items according to the length of time remaining before the expiration date.Table 5-6 lists the supply condition codes applicable to shelf-life items.

MATERIAL IN CUSTODY OF OTHER DEPARTMENTS

The supply officer is responsible for the storage, security, and inventory control of all stock material held in custody. Although stock material should be stored in supply department storerooms, it maybe necessary or advisable to store bulky consumables such as lumber, metal, and pipe or certain repair parts in spaces under control of other department heads.

Table 5-6.-Supply Condition Codes for Shelf-Life Items

Application of Supply Condition Codes to Shelf-Life Items		
Code	Title	Definition
A	Serviceable (issuable without qualification)	Shelf-life remaining is more than 6 months.
B	Serviceable (issuable with qualification)	Shelf-life remaining is 3 to 6 months.
C	Serviceable (customer concurrence required prior to issue)	Shelf-life remaining is less than 3 months.
E	Unserviceable (limited restoration)	Material that requires only limited expense or effort to restore to serviceable condition.
G	Unserviceable (incomplete)	Material requiring additional parts or components.
H	Unserviceable	Type I shelf-life items that have passed the expiration date and type II items that have passed their inspection or test date and cannot be extended.
J	Suspended (in stock)	Type II shelf-life material that has reached the inspection or test date and is awaiting inspection, test, or restoration.
K	Suspended (returns)	Material returned from customers or users and awaiting condition classification.
L	Suspended (litigation)	Material held pending litigation or negotiation with contractors or common carriers.
R	Suspended (reclaimed items, awaiting condition determination)	Assets turned in by reclamation activity that do not have the capability to determine the material condition. Actual condition must be determined before inducting the item to maintenance activities for repair or modification.

When supply department stock is stored in other department spaces, the supply officer exercises inventory control and obtains written authorization from the commanding officer for such storage. The authorization should specify the supply officer's responsibilities relating to procedural instructions, stock replenishment, physical inventory, and the maintenance of stock records. Responsibilities of the department head having custody are included in the authorization, which must address the storage, security, issue, inventory, and location of the material.

Designation of Custodian

When supply department stock material is authorized to be stored in other departmental spaces, the department head having custody designates (in writing to the supply officer) a custodian for the material. The departmental custodian must be a reliable person whose knowledge, experience, or training qualifies the individual to perform supply functions normal] y required of storeroom Storekeeper The supply officer provides departmental custodians with detailed written instructions for assisting them in the proper performance of assigned functions.

Records

The supply officer maintains the stock records for all stock material stored in other departmental spaces. Each departmental custodian is provided with a listing of the stock material in his or her custody. The departmental custodian is not required to maintain records other than locator lists.

Inventory

The supply officer provides advisory assistance during the physical inventory of stock material and controlled equipage in the custody of other departments.

RELIEF OF SUPPLY OFFICER AFLOAT

The supply officer and relieving supply officer conduct a joint inspection of the supply department before the supply officer departs. The joint inspection includes storerooms, material, materials-handling equipment, operating spaces, office spaces, personnel, files, records, procedures, and organization. When circumstances prevent the two officers from making a joint inspection, the relieving officer conducts the inspection and prepares a report to the commanding officer as soon as possible, but not later than 20 days after taking charge of the department.

Inventories and Returns

The areas covered in the following paragraphs are subject to inventory upon relief of the supply officer afloat.

GENERAL STORES.— A complete inventory of supply department stock of general stores material is not required on relief of the supply officer. However, the relieving officer conducts a sample inventory and location audit of a random selection of items to determine the reliability of stock records. The recommended number of items for sampling is as follows:

- Inventory of 10 to 15 percent of the total Selected Item Management (SIM) items carried
- Inventory of one-fourth of 1 percent of the total non-SIM items carried (at least 50 percent of the items selected must have usage recorded)
- Location audit of one-fourth of 1 percent of the total line items carried.

The inventory and location audit accuracy rates determined by the sample inventory and location audit are reflected in the relieving officer's letter report to the commanding officer. An inventory accuracy rate of 90 percent and a location accuracy rate of 95 percent are considered to be the minimum acceptable.

CONTROLLED EQUIPAGE.— All items of controlled equipage in use in the supply department are inventoried, and custody is transferred to the relieving supply officer.

FOOD ITEMS, SHIP'S STORE, AND RETAIL CLOTHING.— All food items, ship's store stock and retail clothing items are inventoried and stores returns are rendered according to procedures contained in foodservice management and ship's store afloat publications when the supply officer is the accountable officer. The relieving supply officer promptly opens the accounts for stores transferred on the relieved supply officer's final returns.

MAINTENANCE ASSISTANCE MODULES (MAMs).— All MAMs are inventoried as repairable in proportion to total repairable assets, and custody is transferred to the relieving supply officer.

TEST BENCH INSTALLED.— These repairable are inventoried on the same basis as other DLRs, and custody is transferred to the relieving supply officer.

Relieving Report

Upon completion of the department material, personnel, and records inspection, the officers submit a joint relieving letter to the commanding officer.

AIRCRAFT ENGINES

The number of spare aircraft engines carried by the activities are determined by their type commanders. These engines are inventoried and managed by the type, model, and serial number. The reporting procedures for the Navy aircraft engine management system (AEMS) are prescribed in NAVAIRINST 13700.15. This instruction covers the requirements for reporting engine/propulsion system/module (EPSM). You should be familiar with the terms and definitions used in AEMS.

Definitions

- The AEMS on-line computer terminal is a computer terminal used for direct input of reports and retrieval of EPSM data.

- The controlling custodians are air commands and Naval Air Systems Command (NAVAIRSYSCOM) fleet support units exercising administrative control of assignment, employment, and logistic support of certain aircraft and engines as specified by the Chief of Naval Operations (CNO). The controlling custodians are listed in NAVAIRINST 13700.15.

- The designated repair points (DRPs) include the naval aviation depots (NAVAVNDEPOTs), commercial repair facilities, and Army and Air Force facilities designated as NAVAIR fleet support custodians.

- The EPSM reporting custodians are the Navy and Marine Corps activities, units, squadrons, and detachments (including commercial activities) that have physical custody of aircraft EPSMs.

- The engine transaction report (ETR) is submitted on an "as occurring" basis.

- The term *firewall* refers to the section of an aircraft where the engine or propulsion system is installed.

- The module is the first sectionalized portion of the propulsion system that is one level below the propulsion system, Some examples of modules are the power section, gear box, and so forth.

- The term *propulsion system serial numbers* (PSSNs) is the same as the term *engine serial numbers.* The Naval Aviation Maintenance Office (NAVMAINTOFF) assigns the PSSN for modular propulsion systems.

- Quick engine change assembly (QECA) is an engine or propulsion system to which a quick engine change kit (QECK) has been applied. This does not include the propeller for reciprocating engines or turbo prop propulsion systems. The QECA provides for rapid replacement of an inoperable engine in an aircraft.

- A QECK is a kit containing all items required for a quick engine assembly change except for government-furnished equipment, engines, and propellers.

- The status codes consist of two digits that describe the status of an aircraft EPSM. Refer to enclosure 2 of NAVAIRINST 13700.15 for a list of status codes.

- Star codes consist of two digits that describe the condition or give the reason for transactions such as strikes, transfers, removals, and so forth. The star codes cannot be used without a status code. Refer to enclosure 2 of NAVAIRINST 13700.15 for a list of star codes.

Reporting Responsibilities

The controlling custodians are responsible for ensuring that the reporting activities submit the ETRs in a timely manner. The ETRs must be submitted no later than 2400 hours on the first working day following the date the status on EPSMs are assigned to their custody. The reporting responsibility starts when an EPSM has been received by a controlling custodian. The reporting responsibility stops when the EPSM is transferred to another controlling custodian or when the EPSM is stricken from AEMS.

Supply officers (SUPOs) ashore and commanding officers of fleet and industrial supply centers (FISCs) are responsible for submitting transactions on EPSMs directly to AEMS. This includes EPSMs received in or transferred from their custody.

Engines and propulsion systems removed from aircraft for organizational level maintenance or to

facilitate other maintenance will not be reported as long as the same unit will be reinstalled on the same firewall.

When all modules are removed from a propulsion system, the propulsion system is considered disassembled. The propulsion system is placed in status code 90 automatically and requires no ETR submission.

The ETRs can be submitted by using a naval message or the on-line AEMS computer terminal. The ETRs submitted by NAVAIR reporting custodians use the vertical format. The ETRs submitted by COMNAVAIRLANT, COMNAVAIRPAC, and CNATRA use the horizontal format. See the examples of the vertical and horizontal formats in enclosure 2 of NAVAIRINST 13700.15.

SUMMARY

The goal of the supply organization is to provide all the material or services requested by the customer(s). However, to accomplish this goal requires a huge amount of money and storage space. The inventory management in the Navy use the projected customer demand to stock materials. Any items that do not have a projected demand are not stocked so that the available resources (time, money, space, and personnel) can be invested in items that have a high demand. Inventory management includes deciding what items and what quantity must be stocked for each item. Maintaining the items at the level that fully supports the customer's needs is a challenge for any supply organization. A good inventory management includes monitoring of all transactions that affect the quantity of material in stock. In this chapter, we discussed the functions of inventory managers and inventory control points.

We also discussed the different terms and definitions used in Navy inventory management. The definitions for each term will help you understand the word or subject as it is used in the supply procedures.

We discussed your responsibilities as a supervisor in managing the inventories. File maintenance is as important as doing any other functions in inventory management. The files used in manual or automated procedures should always be properly maintained and kept current.

Several management reports must be completed, reviewed, or submitted. You should become familiar with all the management reports. You must know when the reports are produced, how to read them, and when they need to be submitted to higher authority.

Most importantly, we discussed the physical inventory requirement in the Navy. The purpose of the physical inventory is to keep the inventory records accurate. We discussed the different types and the frequency for conducting an inventory and the standard goals that should be met. We discussed the proceduresx for conducting physical inventory ashore and afloat. We discussed the procedures from the preparation for inventory to the physical count reconciliation and processing the adjustments.

We discussed the inventory requirements during the relief of supply officers. The AKs are involved in conducting inventory of general supplies, controlled equipage, and repairable (including MAMs and TBIs).

We discussed the special inventory items such as aircraft engines, material stored in other department's spaces, shelf-life items, and so forth. You should familiarize yourself with the procedures for managing these items.

We covered the procedures for conducting the location audit and the required report of its completion.

CHAPTER 6

FINANCIAL MANAGEMENT

The financial management procedures include the operating target (OPTAR) accounting, inventory accounting, and cost accounting. You will be required to know this information when you are assigned as a supervisor in a squadron material control, stock control, or aviation support division (ASD)/supply support center (SSC). In squadron material control, you, as the supervisor, are responsible for managing the OPTAR and submitting the required reports. In the stock control or ASD/SSC of a supply department, you will be involved with inventory and cost accounting (directly or indirectly). This chapter will help you understand the requirements, responsibilities, and supervisory checks needed for proper financial management.

ACCOUNTING CLASSIFICATIONS

The list of accounting classifications and their purpose is described in detail in the *Defense Finance Accounting Service-Cleveland,* (DFAS-CL) Manual, (NAVSO P) 1000.2M. The accounting classifications are as follows:

Appropriation or fund-Expenditures in the Navy are primarily classified by appropriation or fund; that is, according to the legal source of the finds chargeable. This accounting classification is described in chapter 2 of DFAS-CL (NAVSO P) 1000.2M.

Generally, appropriations and funds are apportioned to the Navy and then subdivided to other levels of Navy and Marine Corps organizations. The appropriations and funds are made available at the operating level by means of allotments or in some cases suballotments. These accounting classifications are described in chapter 3 of DFAS-CL (NAVSO P) 1000.2M.

Functional accounts—To prepare functional reports with prescribed details of analysis under the fund level, functional accounts are established for identification of the required details. This type of classification is covered in chapter 4 of DFAS-CL Manual, (NAVSO P) 1000.2M. Some functional accounts need to be identified to the appropriate activity. The unit identification codes (UICs) are assigned to identify the activities. The UICs are listed in chapter 5 of the *Navy Comptroller* (NAVCOMPT) Manual, Volume 2.

Object class-Under each appropriation, expenditures are also classified by object class; that is, the kind of item being obtained by the expenditure, However, the object class is not actually shown on some documents because it can be obtained from other information appearing on the documents. This type of classification is covered in chapter 6 of DFAS-CL Manual, (NAVSO P) 1000.2M.

APPROPRIATIONS

The *funds* authorized by Congress for use by different departments of the government are segregated into broad categories as indicated by the appropriation account. These categories are called the appropriations. Appropriations are made from the general fund by Congress to be expended in connection with the operation of the Navy. These appropriations are made for specific purposes and cannot be expended for other than the purpose stipulated. The purpose of segregating by appropriations is to channel the funds to the commands responsible for their administration.

BUDGET ACTIVITY

The appropriations are divided into smaller accounts for various purposes. These divisions are called budget activities and the accounting symbols that identify them are called subheads. Budget activity accounts are established within each appropriation account to record financial transactions. These are the transactions relating to the specific functions contained in the budget as approved by Congress. Budget activity accounts are used primarily for administration, accounting, and control.

BUREAU CONTROL NUMBERS

A bureau control number is an allotment authorization number consisting of five digits. It is made up of a 3-digit allotment number prefixed by a 2-digit budget project number. The bureau control number identifies the activity or ship to which the 3-digit allotment was granted together with the

applicable budget project. This numbering system facilitates the classification of data contained in the accounting register used for posting appropriation accounts of various offices and commands.

Budget Projects

The budget activities are divided into one or more projects according to the budget approved by the Congress. To develop more detailed data essential to the administration and control of appropriation, budget projects may be further divided into subprojects. These subprojects can be summarized directly into the related budget project.

Allotments

All funds available within an appropriation account for commitment obligation and expenditure are administered through the issuance of allotments. An allotment is an authorization granted within and according to an appropriation for the purpose of incurrring commitments, obligations, and expenditures to accomplish an approved operating budget. Therefore, an allotment is a subdivision of an appropriation that provides the funding authority for an official to accomplish a specific function or mission.

FUNCTIONAL ACCOUNTS

Generally, fictional accounts classify transactions according to the end use or purpose for which the obligation, expenditure, or collection is made. This classification provides the standards of detail required in various reports and a code number reference for specifying the content of reports. The fictional account is composed of a 5-digit number. The first digit of the account number designates the major heading for the 6 major series of functional account numbers. For example, 1 designates naval vessels; 2 designates ashore naval activities; 5 designates stores; and so forth. The second digit of the functional account number is combined with the first digit to designate the applicable heading for the secondary series. For example, 51 designates Navy stock account (NSA) and 52 designates appropriation purchases account (APA). Refer to chapter 4 of DFAS-CL (NAVSO P) 1000.2M, for more information about functional accounts.

OBJECT CLASS

The object class is used in submitting a budget request to the Office of Management and Budget. It is also used in reporting data whenever an analysis by object class is required. This classification is based upon the nature of the services, articles, or other items for which funds are expended as distinguished from the purposes for which such expenditures are made. This object class should be 000 unless the transaction affects the international balance of payment (see chapter 7 of DFAS-CL (NAVSO P) 1000.2M).

UNIT IDENTIFICATION CODES

The unit identification codes (UICs) are used to identify specific ships, air organizations, or activities to which an expenditure is chargeable as cost of plant, maintenance, or operation.

PROPERTY CLASSES

Property classes are used to segregate the records of plant property. They also provide data for analyzing the cost of manufacturing and of operating some activities. This classification is a refinement of the object classes.

ACCOUNTING CLASSIFICATION CODES

The accounting classification codes are also known as accounting data. They are made up of nine data elements. They are the appropriation, subhead, object class, bureau control number, suballotment, authorization accounting activity, transaction type, property accounting activity, and cost code. The accounting classification codes are required on all purchase requests and resulting obligations and expenditure documents.

DEFINITIONS

There are numerous terms and phrases that relate to funding, accounting, and reporting. A thorough understanding of these terms will help you understand the financial management functions. The following terms are used in financial management functions:

Administrative cancellation is a term that applies to the following transactions: (1) the financial cancellation of an unfilled order by the OPTAR holder with the accounting office without reference to or action by the supply system; (2) the completion of the below threshold unfilled order by the accounting office instead of establishing partial orders; and (3) the processing of credit unfilled orders.

Aged unfilled order is an unfilled order submitted by an OPTAR holder to the accounting office, held for 3 months in the files, and has not matched with a corresponding expenditure document and has not been Cancelled.

Appropriation subhead is a major subdivision of a budget activity of an appropriation. The subheads of the appropriation for the citation of the operating forces are structured to identify the major claimant, five-year defense program, or budget activity, and expense limitation holder.

Authorization accounting activity is the activity designated to perform the accounting for an operating budget.

Budget activity is the smaller part or segment of the appropriation that is identified by subheads.

Confirmed cancellation is the official notification from the supply system that the requisition is canceled and no other supply action will be taken.

Cost center is the subdivision of the responsibility center. A ship, squadron, or other operating unit having a unit identification code and incurring costs against an operating budget is classified as a cost center.

Credit transaction is a transaction that results in an increase in OPTAR balance. For example, the confirmed cancellation of an unfilled order will result in a credit to the OPTAR.

Debit transaction is a transaction that results in a decrease of the OPTAR balance. For example, the amount of obligation (in an unfilled order) is less than the matching expenditure document forwarded by the issuing activity.

Difference is the adjustment value required to make the value of the unfilled orders and the matching expenditure to agree. A debit difference indicates an Underestimate and credit difference is an overestimate of an unfilled order (obligation).

Expenditure is a disbursement or payment of appropriated funds. For example, an expenditure occurs when the supply system issues material; the expenditure document is forwarded to the accounting office for matching with the unfilled order; the accounting activity charges the activity's funds.

Expenses are the costs of material or services that have been consumed or applied.

Expense authority is the budgeted amount within an operating budget approved for incurring expenses.

Expense element is a classification of expenses for cost accounting and reporting. The fund codes used on requisitions and purchase requests identify specific expense elements or subdivisions of expense elements.

Expense limitation is the financial authority issued by a major claimant (such as fleet commanders) to an intermediate level command (such as the type commander).

Filled order is a requisition, purchase request, or order that has matched with a related expenditure and is considered as financially complete.

Five-year defense program is the major financial plan of the Department of Defense for accomplishment within a five-year period.

Major claimant is any bureau, office, or command designated as administering offices under the operations and maintenance appropriations. Major claimants receive operating budgets directly from the Chief of Naval Operations.

Obligational authority is the budgeted amount within an operating budget approved in a fixed amount for incurring obligations or unfilled orders.

Operating budget is the annual budget and financial authority of an activity or command containing the resources to perform its mission.

Operating target (OPTAR) is the annual fund issued by the type commander (or other operating budget holder).

Reconciliation is the process of matching a requisition or other unfilled order with corresponding expenditure(s) performed by the accounting office.

Reimbursable OPTAR is a separate OPTAR granted by the type commander or other operating budget holder to a ship or activity for specific work or services. The work or services performed is chargeable to the reimbursable order accepted by the type commander or other budget holder.

Responsibility center is a command designated to receive and administer an operating budget. A type commander is classified as a responsibility center.

Supplies and Equipage (S&E) is a traditional phrase used to describe the purpose of OPTARs for the operating, organizational maintenance, and administrative requirements of a ship, staff, or other unit of the operating forces.

Threshold is the designated administrative money value ceiling.

Threshold charge is the process whereby the accounting office charges the unmatched expenditure documents of a value below the threshold without matching obligations (unfilled orders). This procedure is conducted only if the research failed to match the expenditure to an obligation on file.

Unmatched expenditure refers to the expenditure document that has not been matched with an unfilled order and has not been threshold charged nor direct charged in the reconciliation process by the accounting Office.

BUDGET AUTHORIZATION

A budget authorization is granted after the appropriation bill is signed by the President. The following paragraphs describe the making of a budget authorization.

STEPS IN BUDGET PREPARATION

The annual budget of the Navy is prepared in several steps. It starts when the director of the Office of Management and Budget requests the Secretary of Defense (SECDEF) to submit the DOD budget estimate. The SECDEF provides the guidelines for budget preparation and directs the Secretary of the Navy (SECNAV) to prepare the budgetary requirements for the Navy. The SECNAV determines the Department of the Navy (DON) policies, directs the preparation of and reviews and approves the Navy program objectives. With the assistance of the Comptroller of the Navy, the Chief of Naval Operations (CNO), and Commandant of the Marine Corps, the SECNAV prepares the Navy program objectives. The Navy program objectives are issued to offices, commands, bureaus, and Headquarters, U.S. Marine Corps. The Comptroller of the Navy requests these organizations to submit their requirements and estimated costs. After the Comptroller of the Navy reviews the estimates, they are forwarded to the SECNAV. After review, the SECNAV transmits the Navy budget estimates to the SECDEF. The Comptroller of the DOD reviews and make recommendations to the SECDEF to submit the budget estimates to the Office of Management and Budget. The director of the Office of Management and Budget reviews the estimates, make revisions to show the President's policy, and prepares the President's budget estimate for submission to the Congress by the President.

CONGRESS

The House and Senate review the budget presented by the President. An appropriation bill, containing the budget figures as modified by changes agreed upon by both the House and Senate, is forwarded to the President for signature.

PRESIDENT

When the President signs the appropriation bill, it becomes a law and an appropriation act.

TREASURY DEPARTMENT AND GENERAL ACCOUNTING OFFICE (GAO)

Upon receipt of a copy of the appropriation act, the Treasury Department draws an appropriation warrant and forwards it to GAO for countersignature. The GAO analyzes, countersigns, and returns the warrant to the Treasury Department. The Treasury Department provides a copy of the warrant to the DON as a notification that the appropriation is available for obligations and expenditures.

MAJOR CLAIMANT/SUBCLAIMANTS

The operating funds identified by the subhead are allocated by the CNO to the major claimants (for example, fleet commanders). The fleet commanders issue expense limitations to themselves for fleet level functions and to the type commanders. The type commanders, in turn, issue operating budgets to shore activities designated as responsibility centers. Type and fleet commanders also issue operating budgets to themselves as responsibility centers for the following expenses

- Centrally managed programs (such as ship overhaul)
- Expenses for their own staffs

- Expenses for their assigned ships, squadrons, and other units

APPROPRIATIONS

The different types of appropriations are described in the following paragraphs.

ANNUAL APPROPRIATION

The annual appropriation is generally made for the current operating and maintenance expenses of the DON. It becomes available at the beginning of the fiscal year as designated by the appropriation act. These appropriations are available for payment of obligations incurred only during that fiscal year; however, they are available for payment of such obligations for 2 years thereafter. When the appropriation expires for obligations at the end of a fiscal year, the unobligated balance is transferred to the surplus of the Treasury. At the end of 2 years of availability y, the balance remaining, representing unliquidated obligations less reimbursements that are to be collected, is transferred to the successor account.

CONTINUING APPROPRIATIONS

A continuing appropriation is an appropriation that remains available until exhausted or until the purpose for which it is made has been accomplished. When the purpose of the continuing appropriation is accomplished, the amount equal to the total of unliquidated obligations, less the total of reimbursements to be collected, is transferred to the successor account. The remaining unobligated balance is transferred to the surplus of the Treasury.

MULTIPLE-YEAR APPROPRIATIONS

This appropriation is generally made for the oprating and maintenance expenses of the DON. It becomes available for obligations and expenditures at the beginning of the fiscal year designated in the appropriations act unless otherwise stated in the act. It is available for payment of obligations incurred only during the fiscal years specified in the act. However, it is available for payment of such obligations for 2 years thereafter. These 2 years maybe extended by Congress. At the end of the last fiscal year included in the appropriation, when the appropriation expires for obligation purposes, the unobligated balance is transferred to the surplus of the Treasury. At the end of the 2-year period of availability, the balance remaining (unliquidated obligations less reimbursements to be collected) in the account is transferred to the successor account.

TRANSACTIONS

All expenditures must have the authorization to be expended from available funds. Transactions develop through stages of reservation, commitment, obligation, and expenditure.

RESERVATION

A reservation is an administrative action that identifies funds set aside for planning purposes before establishing a commitment. Reservations are not maintained as part of official records. However, if a record is maintained, it is included in the minimum unofficial records of the holder of authorization or OPTAR.

COMMITMENT

A commitment is a firm reservation of funds based upon firm procurement directives, orders, requisitions, or an authorization to create obligations.

OBLIGATION

An obligation is incurred when an order is placed, a contract is awarded, a service is received, or a requisition is posted against the appropriation.

EXPENDITURE

An expenditure is the use of funds to cover obligations. Expenditures must be charged to the appropriate funds only. A fund is properly chargeable with all expenditures necessary to accomplish the purpose for which it is established. For example, the appendices of NAVSO P-3013-2 list the fund codes that need to be used for each specific material or services.

ACCOUNTING SYMBOLS

The charges and credits to appropriations and funds are reported to the Comptroller of the Navy. The report is used to update the status of the appropriation and fund. Symbols are used to identify charges and credits to appropriations instead of using titles. The appropriation symbol is used in preparing documents for contracts, *Material Inspection and Receiving Report,* DD Form 250, and *Requisition and Invoice/Shipping Document,* DD Form 1149. The

appropriation symbol is also used for all correspondence with the GAO concerning specific appropriations of funds.

STRUCTURE OF SYMBOLS

The accounting symbols are made up of the appropriation and subhead.

Navy Department Appropriation

The symbols for the Navy appropriations contain seven to nine digits. The first two digits of the accounting symbol designate the government department that is responsible for administering the appropriations. For example, in the appropriation symbol 1751804, the 17 designates the Navy Department. The 5 (third digit) designates the fiscal year (95) of the appropriation. An X in the third digit means a continuing appropriation and an M designates a successor appropriation. The 1804 in the example stands for Operation and Maintenance, Navy.

Funds of the Navy Department

The Navy Department funds include the revolving fired and trust fund. The accounting symbols assigned to these funds are listed in chapter 2 of DFAS-CL (NAVSO P) 1000.2M. The Defense Business Operations Fund (DBOF) is a revolving fund. The DBOF symbol is 97X4930. In this symbol, the 97 designates the Department of Defense. The third digit, letter X, designates no fiscal year limitation. The fourth and fifth digits, 49, designate the type of fund, which in this case is a revolving fund. The sixth and seventh digits, 30, designate the particular fund which is the DBOF.

The symbol for trust funds have seven digits. For example, trust find symbol 17X8008 is composed of combinations of digits. The first two digits 17 designate the Navy Department. The third digit, X, indicates that the fund has no fiscal year limitation. The last four digits, 8008, identifes a trust fund. The last four digits designate the symbol assigned by the Treasury Department.

Refer to DFAS-CL (NAVSO P) 1000.2M, for detailed listing of appropriations and accounting symbols used in the Navy.

Appropriation Subhead Number

The subhead numbers are used to identify charges and credits to the first level of subdivisions of appropriations and funds. Subhead numbers consist of four characters. Refer to chapter 2 of DFAS-CL (NAVSO P) 1000.2M, for a list of subhead numbers and titles.

RESOURCE MANAGEMENT SYSTEM AT SHORE ACTIVITIES

The Resource Management System (RMS) for operations at shore activities is designed around one basic account structure to provide complete integration of budgeting, accounting, and reporting. The following data elements are necessary and basic to the accumulation and reporting of management information under the RMS: These data elements are further explained in the succeeding paragraphs.

- Five-Year Defense Program (FYDP) budget activities
- Program elements
- Unit identification codes (UICs)
- Cost centers
- Activity/subactivity group codes
- Functional and subfunctional category codes
- Cost account codes
- Output measurements
- Man-hours
- Expense elements

The RMS for operations is designed to provide external financial and cost reports of approved annual operating budget performance. This report is submitted to the major claimant/subclaimant in terms of expenses by program element, subactivity group codes, functional/subfunctional category codes, and expense elements. The RMS also provides internal reports at the shore activity level in terms of organizational management (such as responsibility centers and cost/subcost centers). The internal reports may be arranged by subactivity group codes, functional/ subfunctional category codes, cost account codes, units of output, man-hours, and expense elements. The RMS is also designed to provide the cost center and

Table 6-1.-FYDP Budget Activities

Program Element/Budget Activity (3rd digit of subhead)	Regular Navy Description	Reserve Navy Budget Activity Description
1	Strategic Forces	Mission Forces
2	General-Purpose Forces	Depot maintenance
3	Intelligence and Communications	Other Support
7	Central Supply and Maintenance	N/A
8	Training, Medical, and other general personnel activities	N/A
9	Administration and Associated Activities	N/A
10	Support of Other Nations	N/A

responsibility center managers with reports of financial and quantitative information. This report permits the managers to expeditiously determine the following information:

- Variances from planned programs
- Specific areas causing the variances
- Areas where the workload is increasing or decreasing
- Reduced or increased efficiency
- To take corrective action to guarantee the efficient use of available resources

FIVE-YEAR DEFENSE PROGRAM (FYDP)

The FYDP establishes the planned force structure and financial levels for the military departments for a five-year period. The Navy classifies each activity or unit identified with a unit identification code (UIC) to a FYDP or a specific budget activity within a FYDP and to a specific program element. Refer to table 6-1 for a list of program elements and related budget activities.

BUDGET ACTIVITIES

The principal missions to be accomplished under the appropriation are classified as budget activities (major programs) in the FYDP. These budget activities provide the basis on which the entire RMS operations is structured. Each appropriation symbol is identified with a subhead (example: 17x4911.2320). The third character of the appropriation subhead number identifies the applicable budget activity. For example; subhead .2320 identifies budget activity 2-General-Purpose Forces. The budget activities in the FYDP applicable to the Operation and Maintenance, Navy (O&MN) appropriations (regular and reserve) are listed in table 6-1.

FUNDING AND ADMINISTRATION ASHORE

The appropriation 17_1804 O&MN (regular) has subheads that are structured by and identify Regular Navy budget activities that align with the FYDP. The appropriation 17_ 1806 O&MNR (reserve) has subheads that are structured by and identify the applicable Naval Reserve force budget activity of the FYDP. The Navy cost information system classifies each activity or unit identified with a UIC to the FYDP or to a specific budget activity within the FYDP and to a specific program element. Therefore, with the exception of military personnel costs, the operation of each activity, ship, squadron, or other operating unit is funded entirely from the subhead applicable to the individual activity's program classification.

FLOW OF FUNDS

Type commanders (TYCOMs) issue operating budgets to shore activities designated as responsibility

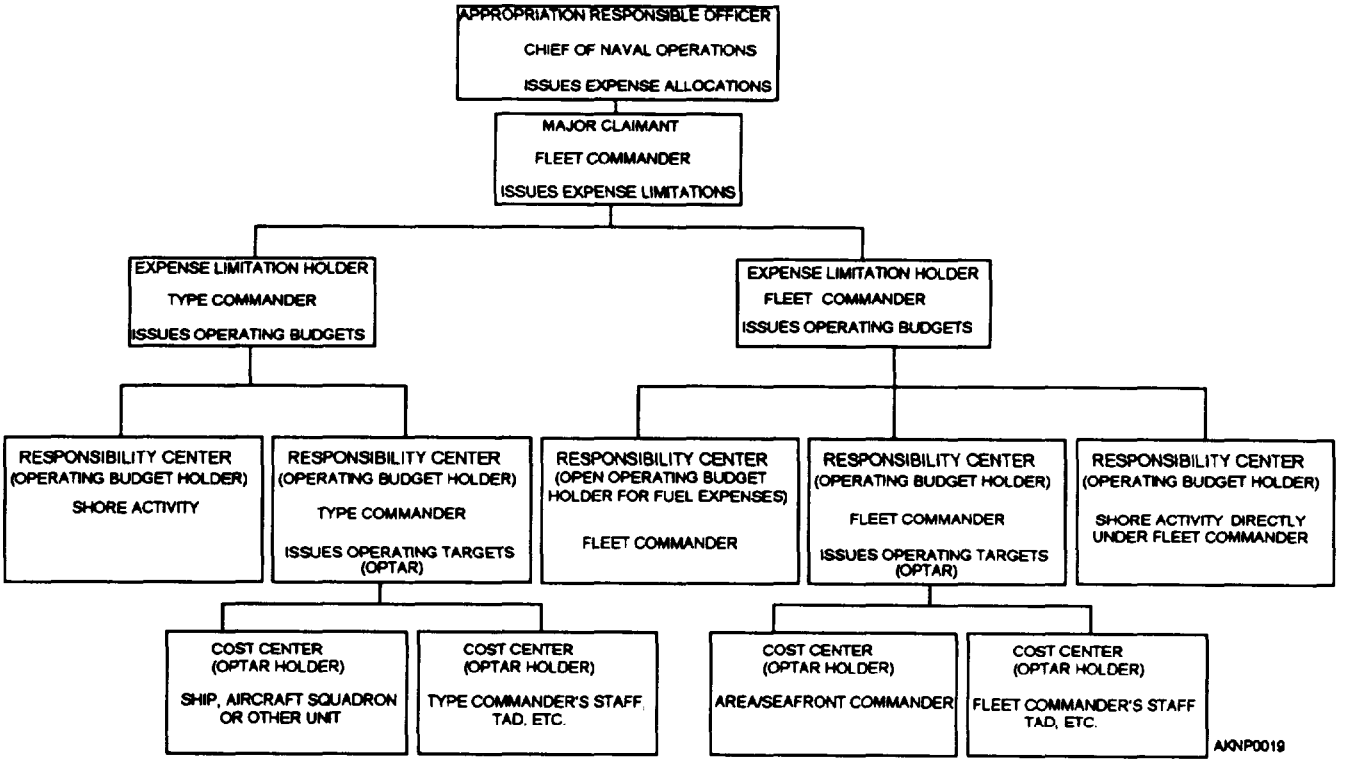


Figure 6-1.—Flow of funds for operations and maintenance, Navy.

renters. Figure 6-1 illustrates flow of funds for operation and maintenance. Figure 6-2 illustrates the flow of funds for the Defense Business Operations Fund (DBOF).

FUND IDENTIFICATION

The fund identification system is broken down into several divisions for specific identification. These elements are the appropriation symbol and subhead.

Appropriation Symbol

As described in the previous paragraph, the appropriation symbol identifies the government agency

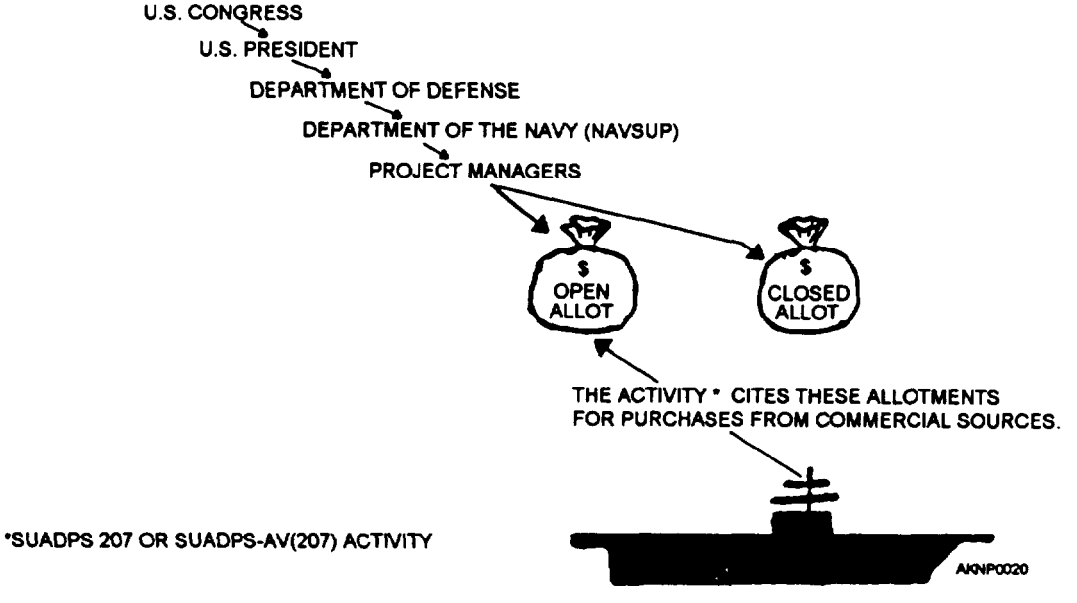
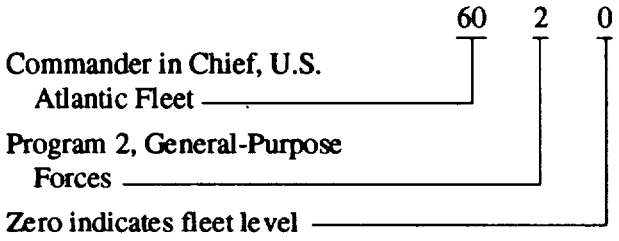


Figure 6-2.-DBOF Funding.

responsible for administering the appropriation, the fiscal year, and the specific appropriation.

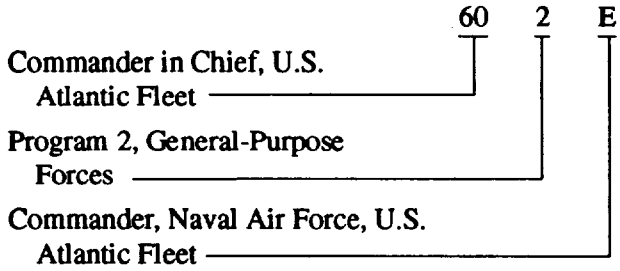
Subhead Symbol

The four-digit subhead symbol for the O&MN appropriation identifies the major claimant and major program of the FYDP. The first two digits represent the last two digits of the major claimant's UIC. The third digit identifies the major program or budget activity of the FYDP. The fourth digit is a zero at the major claimant (fleet) level. The following is an example of a subhead symbol:



Expense Limitation

An expense limitation cites the same subhead from which it is issued except that the fourth digit is an alphabetic or numeric character assigned by the major claimant to identify the expense limitation holder. The following is an example of an expense limitation subhead symbol:



Operating Budget

Operating budgets are issued from expense limitations to responsibility centers on a Resource Authorization, NAVCOMPT Form 2168-1, and are designated by the UIC of the responsibility center. Fleet and type commanders issue operating budgets to themselves for centrally managed programs and for their subordinate cost centers (units). When more than one operating budget is issued to a responsibility center from the same expense limitation, the operating budgets are distinguished by appending a one-character alphabetic or numeric suffix to the operating budget number. To simplify the identification of the specific operating budget chargeable on each requisition or other financial document, two-digit fund codes are established by the Office of the Comptroller of the Navy. Fund codes used by the operating forces are contained in appendix II of NAVSO P-3013.

Operating Target (OPTAR)

Operating budget holders establish OPTARs as required to identify costs separately and to permit command and management to follow the same channels. OPTARs are not issued from other operating targets, but are issued direct from an operating budget by the operating budget holder down through one or more levels in the command structure. OPTARs are not designated with a distinguishing identification number. The combination of the applicable fiscal year, service designator (R for Pacific Fleet units and V for Atlantic Fleet units), UIC of the OPTAR holder, and the fund code applicable to the operating budget provides the complete accounting classification for a requisition. For example, the requisition number R0336550051004 and the fund code LC identify the following:

Appropriation:	1751804, Operation and Maintenance, Navy, Fiscal Year 1995 (fiscal year determined from Julian date 5005)
Subhead:	702E, FYDP budget activity 2—(General-Purpose Forces), Pacific Fleet COMNAVAIRPAC'S expense limitation
Operating Budget	57025 B, COMNAVAIRPAC's operating budget for ship operations
Operating Target	Supplies and Equipage OPTAR of UIC R03365, USS Enterprise (CVN-65)
Expense Element	Consumable material
Accounting Office:	Defense Accounting Office, San Diego

Reimbursable Orders

A reimbursable order is a request for work or services to be performed on a reimbursable basis by one responsibility center for another, or for another government department, or for a nonfederal activity. The receipt and acceptance of a reimbursable order for performance by a fleet responsibility center has the effect of automatically increasing the amount of the

operating budget. Each reimbursable order accepted requires special identification coding to guarantee the proper acummulation of costs. These special codes can be obtained from paragraph 4200 of NAVSO P-3013.

FUND ADMINISTRATION FOR OPERATING FORCES LEVEL

The operating forces discussed in this chapter are the ship and aviation operating forces. The ship operating forces include the active fleet ships, reserve training ships assigned to an active fleet, oceanographic units, amphibious construction battalions and units, staffs, and commands. The aviation operating forces include the squadrons, units, staffs, ships supporting aircraft (for aviation funds only), and fleet marine force aviation commands (for Navy funds only). These operating forces are assigned to the Defense Accounting Office of the Atlantic or Pacific fleet for accounting purposes.

RESPONSIBILITY

Each type commander (or equivalent) is responsible for the development of resource requirements, administration of available funds, and continuous analyses of the status of OPTARs issued, including the efficient and effective use of them. Corrective action is taken, where necessary, in the research and reconciliation of unfilled orders, unmatched expenditures, and expenses incurred.

The OPTAR holder is responsible for the efficient and effective use of OPTAR. The OPTAR holder is also responsible for accurate and timely accounting and reporting of funds. Prompt action must be taken in performing research and validation of transactions reported by the accounting office.

FINANCIAL RECORDS

The duties and responsibilities of the financial recordskeeper are vitally important, especially at Shipboard Uniform Automated Data Processing System-Real Time (SUADPS-RT) activities. The financial recordskeeper performs both end-use OPTAR accounting and Defense Business Operations Fund (DBOF) accounting. TYCOMs issue separate OPTARs for the operation and maintenance of the activity, for the repair of other vessels, and for flight operations. These OPTARS are administered and reported as prescribed by the Financial Management of Resources Operating Procedures (Operating Forces), NAVSO P-3013. The DBOF is administered and reported as prescribed by various Naval Supply Systems Command (NAVSUP), Navy Comptroller (NAVCOMPT), and DFAS-CL manuals. The financial recordskeeper must recognize that the OPTAR funds are separate from the DBOF. However, there is a relationship between these two funds that must be understood.

DEFENSE BUSINESS OPERATIONS FUND (DBOF)

The DBOF is a consolidation of the Navy Stock Fund (NSF) and the Navy Industrial Fund (NIF). The term ***DBOF*** replaces the terms ***NSF, NIF,*** and Navy ***Stock Account (NSA).*** However, other documentation, reports and associated correspondence may continue to refer to NSA, NSF, or NIF.

The DBOF is a revolving fund established by Congress to purchase material carried in stock ashore as inventory by the Navy stock points, and material carried afloat by destroyer tenders (ADs), repair ships (ARs), submarine tenders (ASs), combat stores ships (AFSs), aircraft carriers (CVs), nuclear-powered aircraft carriers (CVNs), amphibious assault ships (LPHs), helicopter assault landing ships (LHAs), and marine air groups (MAGs). These activities spend DBOF dollars to procure items expended to an end-use customer. The fund is reimbursed when material is requisitioned for use by charging the customer's OPTAR and crediting the DBOF. This transaction returns the money to the DBOF so that replacement material may be purchased and the revolving fund continued, as shown in figure 6-3.

The DBOF also finances the operations that were previously managed under the Navy Industrial Fund (NIF). These are the operations of all industrial-type or commercial-type activities approved by the Secretary of Defense as specific projects under the fund.

The operations of the DBOF are governed by the regulations of the Office of Secretary of Defense. Any request for exceptions is submitted to the Comptroller of the Navy via the Naval Supply Systems Command (NAVSUPSYSCOM).

SPECIAL ACCOUNTING CLASS (SAC) 207

The activities operating under SUADPS-RT procedures are considered intermediate supply facilities. These SUADPS-RT activities are authorized to carry DBOF items as inventory material. This material is categorized as SAC-207 material to separate

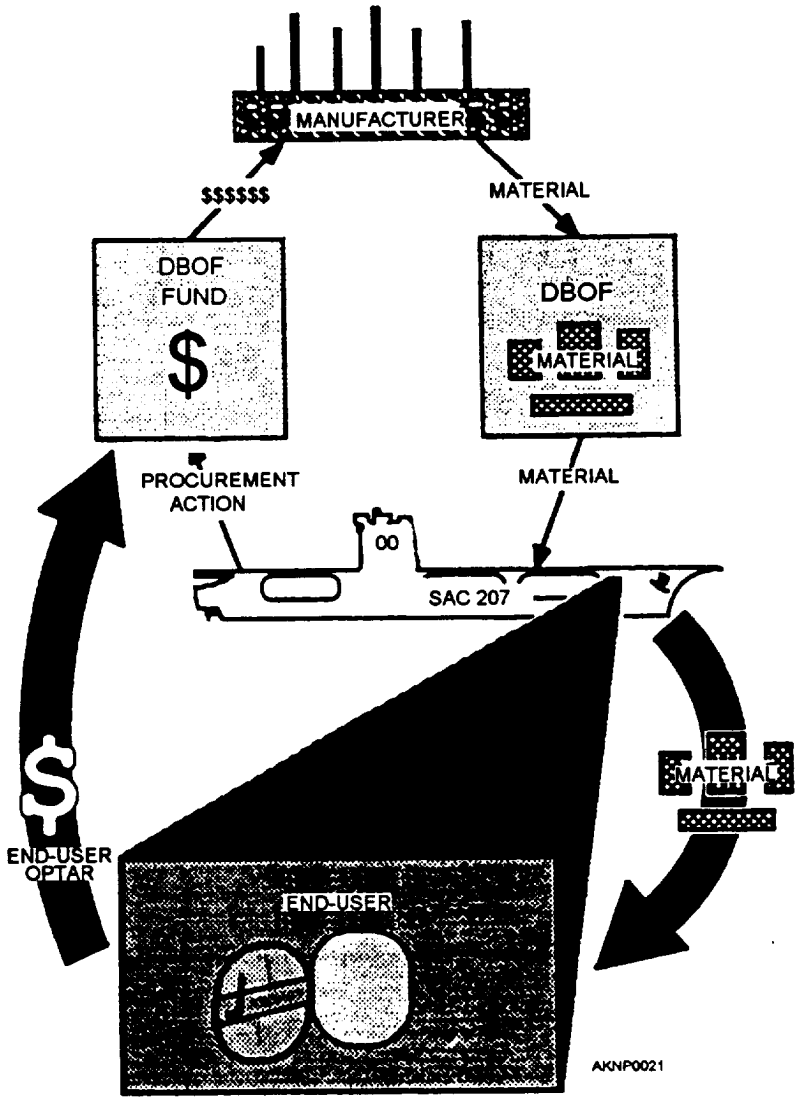


Figure 6-3.-The DBOF revolving fund.

them from material carried in other special account classes. The SAC-207 activities include afloat units such as tenders, repair ships, combat stores ships, aircraft carriers, amphibious assault ships, and marine air groups.

Transactions

The SUADPS-RT activities use DBOF to requisition material for stock or direct turn-over (DTO) by citing a SAC-207 fund code on the external requisitions. When the material is received, it is recorded as a receipt in the DBOF. When the material is issued, the OPTAR fund of the end-user is charged to reimburse the DBOF. This is done by citing the activity's UIC and the TYCOM's fund code on the issue document, resulting in a charge to the OPTAR funds and a reimbursement to the DBOF. For DTO receipts, the SUADPS-RT computer will process the receipt into the SAC 207 fund and generate a charge to the end user's OPTAR fund.

When a SUADPS-RT activity issues material to an end-use funded activity, charges are made to the receiving activity's OPTAR by citing the activity's OPTAR and the TYCOM's fund code on the issue document. This results in a charge to the customer's OPTAR and a reimbursement to the DBOF.

When there is an issue of DBOF material from one SUADPS-RT activity to another SUADPS-RT activity, the requisition is processed as an Other Supply Officer (OSO) transfer.

Financial Reports

Activities stocking DBOF material are required to submit a financial inventory return monthly to the appropriate accounting office. The financial inventory report (FIR) is an accounting of the value of the DBOF SAC 207 inventory of the activity submitting the report. The FIR data is reported to the Defense Finance Accounting Service (DFAS) through the Defense Accounting Office (DAO). All the transactions that change the value of the SAC 207 inventory are posted to the FIR for reporting. The three types of FIRs maintained in SUADPS-RT are as follows:

APA FIR.— The appropriation purchase account (APA) provides the FIR code value for all items with a cognizant symbol starting with an even number. The APA FIR is the official accounting that is forwarded to the type commander (not to DAO) monthly for statistical purposes only.

NSA FIR.— The NSA FIR provides the FIR code values for all items with cognizant symbol starting with an odd number. The NSA FIR is forwarded monthly with the supporting documentation to the DAO for stores accounting of DBOF.

END-USE FIR.— The end-use FIR gives the money value including the value of transactions for items with cognizance symbols starting with 7. The end-use FIR is submitted to the type commander (not to DAO) on a monthly basis.

A copy of the financial report will be retained by the reporting activity. This report should be filed in a single binder for reference and should be kept for a period of 3 years.

The FIR codes consist of two digits that identify the types of transactions affecting the DBOF financial records. The data required for financial management reporting are accumulated by the FIR caption codes established by the transactions to the inventory. For example, different types of receipt transactions, different types of material transfers, and different types of issue transactions are assigned different FIR codes. The NAVSUP P-437, chapter 5, lists the FIR codes, their definitions, and their related transaction document identifiers (DIs).

The DAO SAC 207 Feedback Exception Reports

All receipts that are processed during a month's period are reported to DAO on the NSA Monthly Receipt Report. The DAO reconciles the activity's receipts with the abstracts, billings, or summaries for that activity. Figure 6-4 illustrates the receipts and billings document flow. The reconciliation is performed to account for the changes in the inventories of the issuing activity and the receiving SAC 207 activity. The reconciliation process prevents large losses in DBOF. The procedures ensure that SAC 207 activities submit all receipts and that all expenditures against the DBOF are valid. After the reconciliation process, the documents will fall into one of the following categories:

1. Perfectly matched documents
2. Imperfectly matched documents
3. Partially matched documents
4. Unmatched documents

After completing the monthly reconciliation process, the DAO produces the exception reports and distributes the listings to the appropriate activities. Some of the listings include the unmatched expenditure listing, unmatched receipt listing, unmatched OSO receipts, and so forth. For automated activities, the DAO also provide a magnetic tape of Unmatched receipt and expenditure records for input to SUADPS-RT unmatched expenditures (UNMEX) function. Refer to NAVSUP P-567, volume 2, for a complete list of the feedback reports produced by DAO.

Processing the DAO Exception Listing

After the reconciliation process, the DAO distributes the Unmatched Listing for Captions C&H/A&G. These listings must be researched and processed promptly. The financial supervisor ensures that appropriate files and listings are available for use during the research. Some of the listings and files needed for conducting research are as follows:

- Cumulative fiscal year to date (FYTD) listings of receipts
- Detailed listings produced by UNMEX processing
- Stock control history files
- Transaction ledger files
- Off-line stock requisition number logs
- Department./division document number logs

The ***Unmatched Listing for Captions C & H*** consists of all unmatched and partially matched

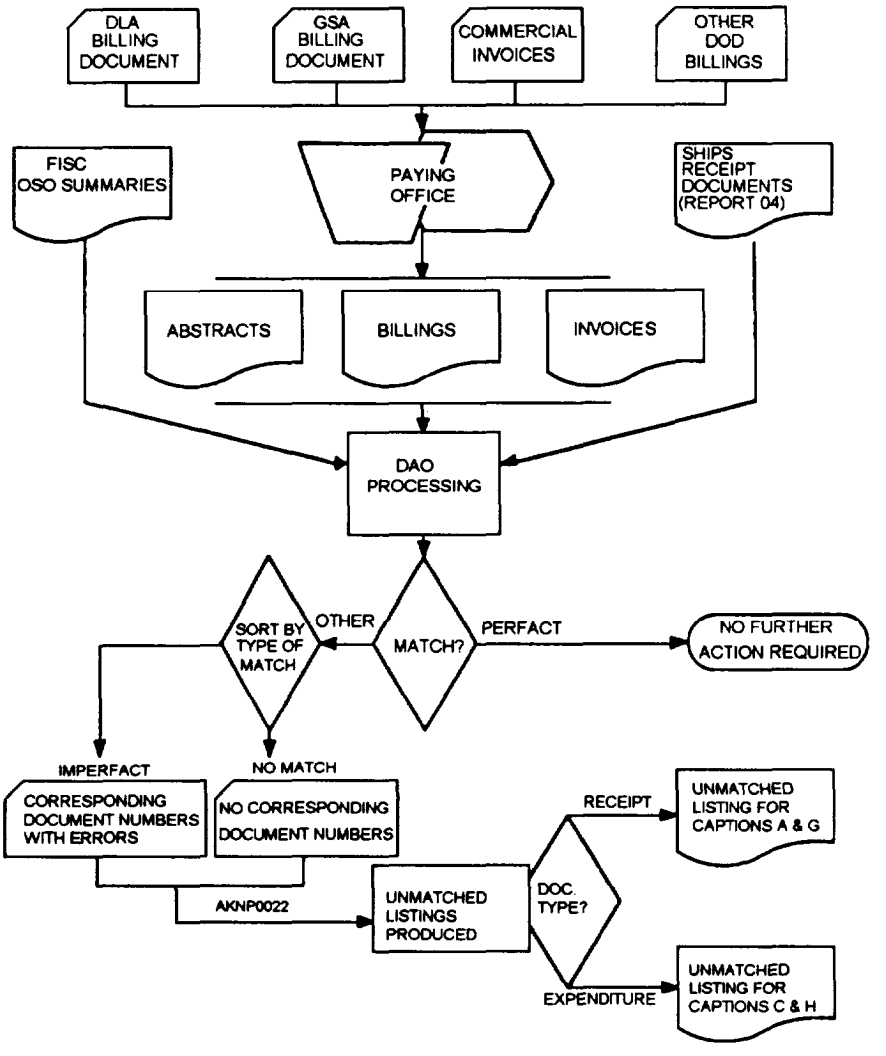


Figure 6-4.-Receipts and billings document flow.

expenditures on DAO's files. This listing represents the summaries, transfers from other supply officers, billings from DLA, GSA, or civilian vendors for which the ships have not processed a receipt. Captions C & H are defined as follows:

Caption C- OSO Summaries

Caption H - Abstracted public voucher payments, DLA billings, and GSA billings

The ***Unmatched Listing for Captions A & G*** is a listing of all receipts processed by the SAC 207 activity. The receipt is reported to DAO but has not been matched with a bill or summary from the issuing activity. Captions A & G are defined as follows:

Caption A – Reported receipt from OSO, FIR codes F4 and F5

Caption G - Reported receipt from purchase, FIR codes A 1, A3, and A4

The ***Listing of Partially Matched Receipts and Abstracts or Summaries*** is also distributed by DAO on a monthly basis. This listing informs the activities of those expenditures that were partially matched during the monthly reconciliation cycle. A transaction record will also appear on the unmatched listing for captions C & H for the unmatched quantity and money value. Each record on the listing must be researched and annotated with the appropriate codes listed in appendix 5 of NAVSUP P-567, volume 2. The annotated copy of the listing is returned to the DAO no later than 20 days after receipt.

The ***Follow-up Listing for Captions C & H*** contains a separate listing of each caption code C & H that represents above threshold unmatched and partially

matched expenditures. The expenditures listed are 6 months old and will be overaged on the ninth month if not reconciled. The transactions also appear on the unmatched listing for captions C & H. The listing is researched and annotated according to the procedures in NAVSUP P-567, volume 2. An annotated copy is returned to the DAO no later than 20 days after receipt. A copy must be retained at the SAC 207 activity for at least 1 year.

The ***Adjustment Listing for Captions C & H*** represents all unmatched and partially matched expenditures that became overaged during the monthly reconciliation cycle, These expenditures were automatically charged (below threshold) as losses to the DBOF. The documents in the listing must be researched and processed accordingly.

The ***Follow-up Listing for Unmatched OSO Receipts*** is a record of OSO receipts that has been in the unmatched listing for captions A & G for 6 months. The transactions have not matched expenditures from the issuing activity and will become overaged at the ninth month. The transactions must be researched and an annotated copy sent to the DAO no later than 20 days after receipt. A copy of the list is retained at the SAC 207 activity for at least 1 year.

The ***Listing of NAVSUP Form 1162 Records*** contains end-use charges included in the monthly DBOF expenditure report for charges or credits that were later challenged by the receiving activity. The charges have been billed back to the SAC 207 account and will appear on the unmatched listing for captions C & H with the notation 290 in the stock number field. The listing is processed according to NAVSUP P-567, volume 2. The listing of NAVSUP Form 1162 is not returned to DAO but is retained by the SAC 207 activity for a period of at least 1 year.

NAVCOMPT Form 168

Periodically, SAC 207 activities will receive a *Request for Information on Material Receipt/ Expenditure Document,* NAVCOMPT Form 168, from other supply officers. This may be received from fleet and industrial supply centers (FISCs), other SAC 207 activities, ship's stores and so forth. The activities submit the form to request proof of shipment or credit documents for material offloads or issues. Detailed procedures for processing NAVCOMPT Form 168 is described in volume 2 of NAVSUP P-567.

Performance Analysis

Activities monitor key SAC 207 performance indicators (pulse points) using various forms of documentation. The key performance indicators and proper supervisory audits can ensure proper financial processing. The pulse points used to monitor the activity's performance are described in the next paragraphs. This section also discusses how financial processing, if improperly performed, can affect the performance indicators.

INVENTORY VALIDITY.— This term refers to the accuracy between the quantity of material posted in stock records and quantity in the storage location. Financial processing can affect the inventory validity in an activity. For example, a receipt document was processed to reconcile the unmatched expenditures or receipts appearing on the SAC 207 exception feedback listing without performing a spot inventory. This process may lower the number of unmatched expenditures or receipts; however, the inventory validity can be significantly affected. Improperly processed receipt documents, after the spot inventory, can also affect inventory validity.

SUPPLY EFFECTIVENESS.— The supply effectiveness reflects the activity's ability to fill customer requirements. The customer requirements filled by the activity (net) and from other sources (gross) are used to measure the supply effectiveness, Financial processing directly affects supply effectiveness. For example, when stock receipt documentation is reconciled against the unmatched expenditures erroneous y appearing on the SAC 207 unmatched expenditure listing without proper spot inventory verification. The stock records could reflect a quantity of material greater than that of the quantity actually in the storage location. This situation will result in processing a warehouse refusal thereby lowering the supply effectiveness.

GROSS INVENTORY ADJUSTMENTS (GIA).— The GIA is calculated by totaling the monthly gross adjustments (gains by inventory, losses by inventory, and surveys) and dividing the result by the monthly throughput. The throughput refers to the value of specific categories of throughput identified by certain FIR codes. An improperly processed exception feedback listing can affect the GIA. For example, a stock document is reconciled against the unmatched expenditure or receipt erroneously appearing in the SAC 207 feedback exception listing without conducting a spot inventory. The quantity in the stock

records shows more than the actual quantity in the storage location. This situation will result in a warehouse refusal and a loss by inventory (LBI) will be processed that increases the GIA.

DEFICIENCIES TO SHIP AUTHORIZED LEVEL (SAL).— The stores account material management afloat/ship authorized levels (SAMMA/SAL) is a management report. The intent of the SAMMA/SAL is to maximize the amount of authorized material on hand and minimize financial investment in unauthorized material. The accuracy of the SAMMA/SAL computation relies upon the inventory validity. Improper financial processing can contribute to the deficiency of SAL. For example, a stock receipt documentation is reconciled against the unmatched expenditure that is erroneous] y appearing on the SAC 207 exception feedback listing. This results in an inaccurate reflection of inventory validity. Therefore, the amount of on-hand stock material as a percentage of the SAL is incorrectly computed. If this is a significant problem, the impact on supply readiness can be critical.

UNMATCHED EXPENDITURES AND RECEIPTS.— The SAC 207 activities monitor the percentage and number of unmatched expenditures and receipts. The listings are monitored to ensure compliance of the standards and goals set by NAVSUP and TYCOMs. The standards and goals are generally established for the following categories:

1. Total unmatched expenditures and dollar values
2. Number of overaged expenditures and dollar values
3. Total unmatched receipts and dollar values
4. Number of overaged receipts and dollar values

The last page of unmatched listings for captions C&H and A&G provides summaries by record counts and total money values of all listed and unlisted transactions. These values will be used by supply and the financial managers to evaluate the activity's performance in relation to receipts and SAC 207 exception processing.

REDISTRIBUTABLE ASSETS ON ORDER (RAO).— The term *redistributable assets on order* is also known as unauthorized on order (UOO). The RAO is the material on order that is above the requisitioning objective (RO).

REDISTRIBUTABLE ASSETS ON BOARD (RAB).— The term *redistributable assets on board* refers to the level of stock on hand that exceeds the sum of the SAL and the authorized retention (AR). The AR is a long-supply asset that is authorized for retention. The RAB is also known as unauthorized long supply (ULS).

SHIP'S OPERATING TARGET (OPTAR) FUNDS

The term ***operating target*** is defined as an estimate of the amount of money that will be required by an operating ship, staff, squadron, or other unit to perform assigned tasks and functions.

Budgeting

Each year Congress enacts an O&MN appropriation that authorizes the Navy to buy needed material and services. A portion of this appropriation is passed down through the chain of command to the activity in the form of an OPTAR grant.

Type commanders require that the supply officers develop an annual management plan for supplies and equipage (S&E) OPTAR dollars. The participation of other departments in the activity is essential in developing the annual management plan. Accordingly, department heads must determine their annual funding requirements prioritized according to the type commander's direction, then submit them to the supply office. When the annual planning figure has been promulgated by the type commander, the supply officer develops a recommended allocation of funds. The allocation of funds is developed in coordination with all the departments based on their requirements. The recommended allocation of funds and the entire financial plan must be submitted to the commanding officer for approval. The number and type of OPTAR grants provided these activities depend on the mission of the activity. All SUADPS-RT activities (except MAGs) receive Supplies and Equipage (S&E) OPTAR grants to cover the operation and maintenance of the activity. They may also receive a reimbursable OPTAR when a requirement exists to provide work or services to another TYCOM or government department as directed by the activity's TYCOM. Tenders and repair ships receive a Repair of Other Vessels OPTAR to finance the material or services used in the repair of other ships. Aircraft carriers, amphibious assault ships, and MAGs receive Aviation Fleet Maintenance (AFM) OPTARs to cover the cost of aircraft maintenance. Aviation squadrons receive Flight Operations (FLTOPs) OPTARs to cover the cost of flight operations maintenance.

To determine the authorized charges to each of the above mentioned OPTARs, refer to NAVSO P-3013.

Reporting Time Frames

OPTAR grants are available for obligations only during the fiscal year in which they are granted (1 October through 30 September). However, OPTAR for each fiscal year must be accounted for over a full 36-month cycle. During this period and for 24 months after the end of the fiscal year, activities submit budget/ OPTAR reports as required by NAVSO P-3013-2. These reports are discussed later in this chapter.

Unfilled Orders

Automated activities process all material receipts and issues through the computer. The reconciliation of unfilled orders (obligations) and expenditures for material is performed internally by the SUADPS-RT system for the S&E OPTAR. If the activity holds a Reimbursable OPTAR, unfilled orders are submitted for all transactions (both material and services). When a SAC 207 activity does the accounting for a squadron's FLTOPs OPTAR, unfilled orders are submitted for all transactions (both material and services) for the squadron.

Records/Logs and Files

The procedures for keeping and maintaining financial record/logs and files are automated and manual.

AUTOMATED.— Automation such as SUADPS-RT has eliminated the need for manual records at the command level. Large ships such as aircraft carriers use the *Shipboard Nontactical ADP Program* (SNAP) **I** or III (new version) system. The OPTAR holders do not need to maintain a manual NAVCOMPT Form 2155 because the computer systems accomplish what the manual procedures do as part of its system design. In managing the direct program funds, the SUADPS-RT OPTAR holders submit the following data once a month on the last day of the month:

- Detail unfilled order (obligation) documents in mechanized form for Cognizance Code 99 (services)
- Flight operations (excluding aviation fuel) via an unfilled order summary report (Report 20)
- Automated document transmittal report (NAVCOMPT Form 2156)

Various versions of SNAP I or III have completely automated the receipt of reimbursable OPTAR and the processing of their transactions. Under SUADPS, the procedures for ordering material for use on a reimbursable funding are basically the same as ordering material for the OPTAR funding the direct operations. However, the fund code used has an A in the second character and the reimbursable control code is assigned as the first two characters of the document serial number. The detail unfilled orders (obligations) established for reimbursable OPTAR are automatically y prepared for submission to DAO when the monthly financial report is processed. Refer to paragraph 4200 of NAVSO P-3013-2 for detailed information about reimbursable operating targets.

To guarantee the accuracy of the automated records, all transactions affecting financial files including issues from stock, DTO requisitions, open purchase transactions, and transactions for supported units must be posted into the system. The SUADPS-RT contains program and quality assurance checks that validate input transactions during computer processing.

MANUAL.— Activities using the manual procedures must establish a Requisition/OPTAR Log (NAVCOMPT Form 2155). This log is used to record OPTAR grants and the value of all transactions incurred as chargeable to the type commander's operating budget. A separate requisition/OPTAR log is established for each OPTAR received.

The financial files must be established for each fiscal year for each OPTAR received. These files are labeled file 1 and file 2. The *Unfilled Order Chargeable Documents for Transmittal,* File 1, contains the accounting copy of documents chargeable to the OPTAR. All the documents must have the price, price extension, and entered in the estimated cost chargeable section of the appropriate NAVCOMPT Form 2155. The documents in this are transmitted to the DAO for matching with expenditure documents from supplying or paying activities. The *Unfilled Order Cancellation Documents/Lists for Transmittal,* File 2, contains the following documents:

- Lists of confirmed cancellations or copies of individual cancellation documents
- Advance downward price adjustments
- Copies or lists of administrative cancellations of above threshold unfilled orders and optionally administrative cancellations of below threshold unfilled orders that decrease the estimated cost chargeable (credit adjustments).

All the documents in file 2 must be priced, extended, and entered in the appropriate NAVCOMPT

Form 2155. The documents in file 2 are transmitted to the DAO.

Requisition/OPTAR Log Posting and Maintenance

The requisition/OPTAR log (NAVCOMPT Form 2155) must be maintained in ink by OPTAR holders using manual procedures. Activities using the automated procedures use the computer programs to maintain the logs and files. Refer to NAVSO P-3013-2 for the breakdown and uses of each column in NAVCOMPT Form 2155.

OPTAR GRANT.— When received, the OPTAR grants, advances, augmentations, or withdrawals must be posted in the *Increase or Decrease and Balance* column of NAVCOMPT Form 2155. The type of authority (for example, *grant)* and the method and date of transmittal (message or letter) should be referenced in the *Description* column.

CHARGEABLE UNFILLED ORDER TRANSACTIONS.— Upon preparation of document(s) for material or services that are chargeable to the OPTAR held by the command, the information must be entered in NAVCOMPT Form 2155. For mechanized activities, these transactions are recorded automatically by the computer. For manual activities, use the following procedures:

1. Detach a legible copy of the requisition (green copy of DD Form 1348 [6-pt], when used).

2. Compute and insert on the detached copy the total estimated price in the remarks block U of the DD Form 1348 [6-pt].

Note: The mechanized documents received from replenishment ships during underway replenishment will contain the extended price on each document. The OPTAR holders do not have to insert any additional data.

3. Record the unfilled order to the NAVCOMPT Form 2155. Enter the estimated cost to the fund code column of the *Estimated Cost Chargeable* section corresponding to the fund code cited. The information on the listing received from the replenishment ship is used for recording in this section. A one-line entry may be made from the totals provided on the listing. Discrepancies, if any, must be resolved according to the procedures set forth in NAVSUP P-485.

4. Place the unfilled order in holding file 1 pending the next submission of the OPTAR transmittal report to DAO. All mechanized documents received from the replenishment ship (except those indicated as not carried [NC] or not in stock [NIS]) must also be placed in holding file 1.

NONCHARGEABLE TRANSACTIONS.— These are transactions that do not affect the OPTAR balance and a copy of the document is not filed in holding file 1 nor transmitted to the DAO. Some examples of nonchargeable transactions are as follows

- Requisitions for initial outfitting material
- Appropriations purchase account (APA) material
- Intra-type commander transfers

The transactions described above can be entered and annotated as nonchargeable in NAVCOMPT Form 2155.

UNFILLED ORDER CANCELLATION TRANSACTIONS.— When a confirmed cancellation is received from a supply activity, perform the following actions (applies to transactions above threshold):

1. On the original unfilled order entry line of the NAVCOMPT Form 2155, annotate *CANC* in the Date Material Received column. In the Remarks column, write *CANC* and the Julian date of the annotation.

2. On the next available line of the NAVCOMPT Form 2155, enter credit (negative) amount in the Estimated Cost Chargeable column corresponding to the fund code column used for the original unfilled order. Annotate in the Description and in the Remarks column with *CANC* and the complete document number of the requisition canceled.

3. Increase the OPTAR Balance column by the amount of the cancellation. Unless otherwise changed, the amount of the credit is the same as the original unfilled order recorded in NAVCOMPT Form 2155.

4. Prepare a list of canceled documents. The list should have the document number, quantity canceled, unit of issue, fund code, canceled value, and whether it is a partial or total cancellation. Ensure that the document number and the fund is the same as the original unfilled order.

5. File the cancellation list in file 2 for submission to DAO with the next OPTAR Document Transmittal Report, This action will financially cancel the unfilled order held at the DAO. Ensure that holding file 2 is separated by each particular fiscal year (current year, prior year 1, prior year 2).

ADJUSTMENT TRANSACTIONS.— There will be conditions when an adjustment to the obligated dollar value must be made to NAVCOMPT Form 2155 and the official accounting records at DAO. Adjustments are performed for price adjustments, change of cognizance symbols (from APA to NSA or vice versa), or amendments to continuing services. Refer to NAVSO P-3013 for detailed procedures in processing adjustment transactions.

BALANCING THE REQUISITION/OPTAR LOG.— The requisition/OPTAR log must be balanced on the 15th and last day of each month. This is accomplished concurrently with the preparation of the OPTAR *Document Transmittal Report* (NAVCOMPT 2156). Balancing is done by adding the individual columns and using the total to verify the accuracy of the requisition/OPTAR log. The following process is used in balancing the log:

1. Get the cumulative total of the OPTAR increase or decrease column.

2. Get the cumulative total of each fund code column of the estimated cost chargeable section.

3. Get the net cumulative total of the difference section.

4. Check the accuracy of the log requisition/ OPtAR log and running total of the balance column as follows:

   a. Note the total of increase or decrease column.

   b. Compute the net total of each column of the estimated cost chargeable section.

   c. Subtract the result of net total of each column of the estimated chargeable section (4b above) nom the total of increase or decrease column (4a above).

   d. Compute a net total of the difference section. If the cumulative difference is a credit (minus value), add the results to the result in item 4c above. However, if the cumulative total is a debit (plus value), subtract the results from the results of item 4c above. The result of any of the above computations should equal the balance column total of the Requisition/OPTAR log.

When using the above formula, remember that *credit* differences correct overestimates of the unfilled orders and *debit* differences correct under estimates of unfilled orders. The recording of the differences will adjust the value of the unfilled orders to agree with the expenditures.

After the accuracy of the requisition/OPTAR log has been verified, the balance column total represents the current available balance of the OPTAR.

RULING THE REQUISITION/OPTAR LoG.— After balancing and verifying, the requisition/OPTAR log must be ruled. The totals of each columns will be used as the opening balance for the next transactions. At the end of each month, the requisition/OPTAR log must also be ruled. The remainder of the page (at the end of the month) will be left blank and the totals are carried forward to the next page. The ruled and balanced requisition/OPTAR log totals are the basis for the preparation of the Budget/OPTAR report (NAVCOMPT Form 2157).

OPTAR REPORTS

The reports required by the NAVSO P-3013 are the Budget OPTAR Report (BOR) and the OPTAR Document Transmittal Report. The document used for submitting the BOR is NAVCOMPT Form 2157. The NAVCOMPT Form 2156 is used for submitting the transmittal report.

OPTAR Document Transmittal Report

All unfilled orders, cancellation documents, processed DAO listings (or detail cards), and other transaction documents that affect the status of the OPTAR are transmitted to the DAO on an accurate and timely basis to permit the up-to-date maintenance of the official amounting records of the TYCOM or other operating budget holders.

Activities using manual procedures submit the OPTAR document transmittal report on the 15th and last day of each month for the current fiscal year OPTAR. The documents in the holding files 1 and 2 are removed, assembled, and submitted to the DAO with the OPTAR document transmittal report. The OPTAR holders operating under SUADPS-RT submit the mechanized unfilled order (obligation) documents along with an OPTAR document transmittal report on the last day of each month for current fiscal year OPTAR. If no transactions have taken place since the last transmittal, a transmittal will not be made for such period or periods.

Assembling the Holding File Documents

Make separate adding machine tapes for documents in holding file 1 and in holding file 2. The net total of these two tapes should be equal to the difference

between the beginning and ending balances of the estimated cost chargeable columns of the requisition/OPTAR log for the current reporting period.

Submitting the OPTAR/Document Transmittal Report

The OPTAR/document transmittal report is prepared according to NAVSO P-3013-2. The report must be numbered consecutively for each OPTAR. For example, the first transmittal number for fiscal year 1996 is 001/6, the second is 002/6, and so forth. The fourth digit refers to the last digit of the appropriation fiscal year. When a transmittal is omitted for one or more periods because there are no transactions, the next transmittal should be numbered one higher than the last one submitted.

Check the OPTAR/document transmittal report before submitting to DAO. Ensure that the value of documents being transmitted corresponds to and equals the value of documents entered in the estimated cost chargeable section of the requisition/OPTAR log for the period being reported. The document values are under caption 1 (unfilled orders/adjustments from holding file 1) and caption 2 (cancellations/adjustments from holding file 2) of the OPTAR/document transmittal report.

The DAO will notify the OPTAR holder if the value of documents received does not agree with the values reported in captions 1 and 2 of the OPTAR/document transmittal report. The DAO will request that the records be corrected accordingly.

Reporting Prior Year OPTAR

An OPTAR fund is classified as a prior year OPTAR at the end of 12 months since issue. The OPTAR holder is required to submit the report monthly (on the last day of the month) for the next 2 years. The report must be submitted only when there are transactions that affect the gross obligations of the budget/OPTAR report.

The SAC 207 activities will continue to submit the OPTAR/document transmittal report for the entire 36-month life cycle of the appropriation. The report is submitted monthly in each month in which a transaction has occurred and the unfilled order documents are sent to DAO.

Budget/OPTAR Report (BOR)

The BOR is submitted by message format or by a prepared NAVCOMPT Form 2157. Under normal circumstances, the message Budget/OPTAR Report, NAVCOMPT Form 2157, is used to report BOR data. However, when the operating unit is in the immediate vicinity of the DAO or during periods of message MINIMIZE, the NAVCOMPT Form 2157 is prepared and submitted instead of the message report. When prepared, the NAVCOMPT Form 2157 is submitted by hand or mailed to the DAO, with a copy to the TYCOM, not later than the first workday of the month following the month to be reported. When a message report is submitted, the report is sent to DAO, with a copy to the TYCOM by no later than the first day of the month following the end of the month being reported. In addition, when the message report is submitted, the NAVCOMPT Form 2157 is NOT submitted. Refer to table 6-2 for the frequency for submitting the budget/OPTAR report.

Table 6-2.-Reporting Frequency of BOR

Current fiscal year	Monthly (by the first work day of the month following the month being reported upon)
Last fiscal year (prior year 1)	(1) For the report months of OCT, NOV, DEC, JAN, FEB, and MAR: Monthly (by the first workday of the month being reported upon). (2) For the report months of APR, MAY, JUN, JUL, AUG, and SEP: Only for months in which there is a change in gross obligations (see note).
Fiscal year before last (prior year 2)	Only for months in which there is a change in gross obligations (see note).
Note: There is change in gross obligations when there has been a change in the estimated cost chargeable portion of the Requisition/OPTAR log and therefore also block 22 of the BOR.	

The NAVCOMPT Form 2157 report is divided in 3 parts. Manual OPTAR holders are not required to use part I of the form. Parts II and III data must be filled out and submitted to DAO and the type commander. Refer to NAVSO P-3013 for detailed instructions in preparing the NAVCOMPT Form 2157.

BALANCING THE BOR.— After completing the report, balance the BOR by subtracting the total amount (block 24, part II of BOR) from the OPTAR grant (FYTD) amount (remarks block of the BOR). The result should equal the balance column total of the requisition/OPTAR log.

BOR UNDER SUADPS-RT.— The SUADPS-RT system is capable of preparing the BOR automatically when the monthly financial report is processed. Some versions of SUADPS are not currently able to separate end-use obligation from the DBOF (NSA) stores returns when an early cut-off date is required for the submission of the returns. Accordingly, some SUADPS activities are not able to separate reporting of end-use obligations (preparation of BOR separate from DBOF returns). The NAVSO P-3013-2 describes the reporting methods and procedures that should be used in each situation.

TRANSACTION LISTINGS FROM DAO

The designated DAOs, as the authorization accounting activities, perform the official accounting for OPTARs granted to ships, aviation squadrons, and other commands. One part of the accounting process performed for each OPTAR holder is the matching of unfilled order documents transmitted by OPTAR holders with the corresponding expenditure documents received from supply activities. The reconciliation process results in the production of listings that provide a report of transactions affecting the OPTAR holder's funds. Some of these listings are submitted to the OPTAR holder for review and processing. Copies of the listings, annotated with the action taken, are returned by the OPTAR holder to the DAO so that the official accounting records can be correctly maintained. These transaction listings are as follows:

- **Aged unfilled order listing (AUOL)**
- Unmatched expenditure listing (this listing is not received by ships or aviation operating force units unless a reimbursable OPTAR has been received)
- Summary filled order/expenditure difference listing (SFOEDL)

The above listings, as applicable, are submitted to the OPTAR holder for review immediately upon receipt. The copies of the listing, annotated with the action taken, or the response sheet are returned to the DAO. The annotated listing or response sheet should be sent separately from the OPTAR/document transmittal report (NAVCOMPT Form 2156).

The detail filled order/expenditure listing is for backup purposes only and is retained by the DAO.

Threshold Concept

In the past, great time and effort have been expended by the OPTAR holders and accounting offices in performing financial transactions. The sheer volume of transactions and disproportionate amount of effort required to review and process the relatively small dollar value transactions resulted in delays and backlogs. Therefore, threshold concept was established to save time and effort. The major features of the threshold concept are as follows:

1. Expenditures that do not match an unfilled order document in file at the DAO in 2 months of unsuccessful attempts will be threshold charged. The dollar value is calculated to make the unfilled order and the expenditure values match. If the expenditure is $3,000 or greater, the transaction is printed on the Excessive Difference Listing. The prices in this listing are verified by the accounting system. If the transaction price is correct, the transaction will be included in the SFOEDL the following month.

2. Matched and unmatched expenditures for transactions with a value of $100.00 or less will not be sent to the OPTAR holders for review. The adjustment dollar amount will be threshold charged by the DAO against the OPTAR.

3. The OPTAR holders are authorized to *administratively* cancel unfilled orders when the material has been received 60 days before the date of the AUOL. This permits recoupment of OPTAR funds on assumption that either the expenditure has been threshold charged or no expenditure will be received.

Aged Unfilled Order Listing (AUOL)

The AUOL is distributed monthly for the 4th month through the 15th month of the reporting period. It is distributed six times quarterly from 18th through the 33rd report month. The AUOL lists unfilled orders that are 3 or more months old but have not been matched with related expenditure documents and have not been

canceled. Once an unfilled order is listed in the AUOL, 3 months will pass before it will be listed again (if still unmatched). When the material or services have been received, this indicates that either the DAO has not received the expenditure document, a number has been transposed thereby prohibiting a match and has been directly threshold charged, or the issuing activity has failed to forward an expenditure document.

For SUADPS-RT activities, the same principles and procedures used by manual OPTAR holders apply with some exceptions. For supplies and equipage (S&E) and aviation fleet maintenance (AFM) OPTARs, only cognizance symbol 99 will appear on the AUOL. For flight operations FLTOPs) OPTARS, the aviation fuel obligations will not appear because they are not recorded in detail at the DAO. All other obligations will appear on the AUOL in detail for OPTAR holders operating under one of the various versions of SUADPS.

Refer to NAVSO P-3013-2, paragraph 4108-3, for detailed procedures of processing the AUOL.

Summary Filled Order/Expenditure Difference Listing (SFOEDL)

The SFOEDL is forwarded monthly by the DAO to OPTAR holders for whom they perform OPTAR accounting. The listing is distributed for the 1st through 24th report months and then quarterly thereafter through the 33rd report month. Each SFOEDL contains the result of monthly reconciliations performed by the DAO since the last SFOEDL. The transactions are listed by document number sequence for each OPTAR on both monthly and quarterly transmittals of this report. The listing is a report of all filled orders with a difference of $100 or more. The OPTAR holders must accept and post to the requisition/OPTAR log all differences shown on the SFOEDL. After posting the differences, the OPTAR holder reviews the listing and annotates transactions considered invalid with an appropriate rejection code. Rejection codes are listed in the NAVSO P-3013, paragraph 4108. The valid rejections are reversed with a correction transaction by the DAO and will appear on the later SFOEDL. Differences of $3,000 or more are researched by the DAO before being included to the SFOEDL and therefore should normally be valid differences. The OPTAR holders should carefully investigate before assigning rejection codes to these differences.

Refer to paragraph 4108-6 of NAVSO P-3013-2 for detailed procedures in processing the SFOEDL.

Unmatched Expenditure Listing

Only the ships and aviation operating force units that have a reimbursable OPTAR will receive this listing. The unmatched expenditure listing itemizes expenditure documents received by DAO that have not matched with an unfilled order. The unmatched expenditure listing is forwarded quarterly, when applicable, by the DAO to the individual OPTAR holders. Each item on the list is reviewed in conjunction with the AUOL and the requisition/OPTAR log for validity. Detailed procedures for processing unmatched expenditure listings are described in NAVSO P-3013-2, paragraph 4108-4.

COST ACCOUNTING

The purpose of accounting material expenditures is to provide for fund adjustment between appropriations, subheads, or operating budgets where applicable. It also provides for cost (statistical) adjustment between unit identification codes for expense accumulation and reporting. Transactions by SAC 207 activities will not involve the use of summaries, except for A and B summaries for Repair of Other Vessels (ROV). This is because transfers from these activities are treated as stock fund issues.

Sales of Material and Services

The sales of material or services to foreign governments or private parties are normally handled as cash sales. When approved by the commanding officer, material may be transferred to government departments with an approved requisition. These government departments include the Army, Air Force, vessels of Maritime Administration, and other government departments. The requisition must cite the appropriation of the department that will pay the cost and the fiscal office that will perform the reimbursement.

Sales to merchant vessels in distress maybe made when naval supplies can be spared. This transaction requires a written approval by the commanding officer of the selling ship. Refer to paragraph 6103-2 of NAVSO P-3013-2 for additional information on sales to merchant vessels.

Funded Transfers

Funded transfers are those transfers or issues of end-use material between nonstock funded ships or units whose financial support is provided by different operating budgets. The units under the same type commander, but classified under different Five-Year Defense Programs or a budget activity, are financed by different operating budgets. The A summary is used to report the transfer/issue of material that result in charges to the receiving activity's fund and credit to the transferring activity's operating budget. The A summary credits are applied to the operating budget level (e.g., type commander) only and not to the applicable ship or unit's mission support operating target.

Cost Transfers

Cost (statistical) transfers or issues of end-use material between nonstock funded ships or units generally occur when both the receiving and transferring activity is funded by the same operating budget. The B summary results in a cost adjustment between the unit identification codes of the activities. The B summary transactions have no effect on the operating target of the transferring or receiving activities.

Transfers to Other Ships or Afloat Units

Material transfers to other ships or units must be approved by the commanding officer. Each transaction is covered by an individually priced invoice. The transferring activity obtains a copy of the receipt document from the receiving activity. However, receipts are not required for material transferred by supply ships during underway replenishment. The original invoice will be held for summarization (discussed later in this chapter).

The categories of material involved in transfers are the DBOF (formerly Navy Stock Fund [NSF]) and the Navy Stock Account (NSA).

TRANSFERS BETWEEN SHIPS UNDER THE SAME TYCOM.— Transfers of DBOF (formerly NSF) type material between the same TYCOM is nonchargeable. The material transfers will be included in the B summary of the transferring ship or activity. This also covers transfers of TYCOM centrally procured material. This procedure does not include subsistence, ship's store stock, and resale clothing.

TRANSFERS BETWEEN UNITS/FUNCTIONS FUNDED BY DIFFERENT OPERATING BUDGETS.— Transfers of DBOF (formerly NSF) type material between ships of different TYCOM are chargeable transactions. The value of the material transfers will be included in the A summary of the transferring unit. This procedure does not include subsistence, ship's store stock, and resale clothing.

APA MATERIAL TRANSFERS.— The inter-ship transfers of APA material are nonchargeable transactions that are not required to be summarized. However, these transactions are required to be documented and a copy retained in file as proof of transfer.

TRANSFER OF PETROLEUM PRODUCTS.— Fund code UZ is used by SAC 207 activities for requisitioning or purchasing aviation fuels. When the transaction is processed, it will appear in the appropriate Financial Inventory Report (FIR) caption. The value of materials received for stock from other supply officers are processed as FIR caption F4. The receipts from procurement (commercial activities) will be processed as FIR caption A1. The transferring activity will show the transaction in FIR caption P4 (transfer to other supply officer-stock). Transfer of fuels from SAC 207 stock to ship's own use or other ship's propulsion or power generation will be charged to the fleet commander's centrally managed allotment. Transfer of fuels and lubricants from SAC 207 ships for use in ship's vehicles ashore is processed as an issue and charged to the ship's OPTAR.

Issues to Aviation Units by Aviation Ships.— Issue of aviation fuels by SAC 207 activities to support squadrons is normally conducted on DD Form 1348 (6-pt). The requisition will cite the squadron's fund code (for example 7B) that will be charged for the fuel issue. The SAC 207 issuing ship will process the transaction on FIR caption J1 (issue with reimbursement-service use).

In-flight Refueling by Navy/Marine Corps Tankers.— The in-flight refueling operations are conducted by squadrons while deployed or NOT deployed. When NOT deployed, the material control officer of the transferring squadron is responsible for providing the local in-flight refueling form for the pilot to record the transactions. The form should contain the information needed to effect proper billing and reporting such as the unit identification code (UIC) of the receiving squadron. The custodian of the tanker aircraft is responsible for effecting the billing of all fuel delivered during in-flight refueling.

The DD Form 1348 (6-pt) is used for documenting fuel transactions. The serial number of the document to be used for in-flight refueling will be Fill. The complete document number will include the following data:

- Unit identification code (UIC) of the receiving squadron preceded by art R or V
- Julian date and serial number with the date being the date when the tanker service is performed and serial number Fill
- When feasible, include the aircraft bureau number of the aircraft that was refueled

When it is necessary for the tanker to dump fuel while performing tanker service, regardless of the justification, the tanker squadron will absorb the cost. The squadron performing the tanker service must settle with the SAC 207 activity about the fuel received in conjunction with financial reporting. The tanker squadron must account for the total fuel received for squadron operations and total dispersed to other aircraft. For example, the total sum of fuel for the period is 10,000 gallons at $1.16 per gallon with the total being $11,600.00. The tanker squadron consumed 7,000 gallons for operations and 1,000 gallons each is dispersed to three other squadrons. It is necessary to prepare four separate DD Form 1348s (6-pt) to effect the settlement. The tanker squadron posts $8,120.00 to the OPTAR and each receiving squadrons posts $1,160.00 to their OPTAR. Table 6-3 lists how the documents are prepared for the transactions.

During deployment, the pilot of the tanker squadron is responsible for filling out an in-flight refueling report after completing the mission. The material control officer of the tanker squadron is responsible for providing the local in-flight refueling form to the pilot. The carrier air wing commander is responsible for the coordination of transactions between the tanker and recipient squadrons. The tanker squadron can obtain a credit for fuel by preparing a DD Form 1348 (6-pt) in the same manner as the DD Form 1348 prepared to load the tanker aircraft. The document number must also be the same except the quantity must be equal to the sum of fuel quantities transferred to other squadrons. The remarks block of the DD Form 1348 must contain the phrase J1 CREDIT. The in-flight refueling procedures also apply to squadrons using the Buddy Stores method of refueling.

Table 6-3.-Tanker Squadron Fuel Documentation

DOCUMENT NUMBER	FUND CODE	ACFT TEC	QTY	AMOUNT
V01234/6191/ F001	7B	AAAA	7,000	8,120.00
V11111/6183/ F111	7B	ABBB	1,000	1,160.00
V22222/6183/ F111	7B	ACCC	1,000	1,160.00
V33333/6183/ F111	7B	ADDD	1,000	1,160.00

Fuel Received from the Air Force.— When fuel is obtained from the Air Force tanker aircraft, the receiving squadron will forward a DD Form 1348 (6-pt) to the tanker Air Force unit. The receiving squadron must request the tanker unit to maintain the document number and fund code in the Air Force billing document. Ensure the date of the refueling and the bureau number of the aircraft refueled are entered in the remarks block of the DD Form 1348 (6-pt). The address of the Air Force unit can be obtained in the *DOD Activity Address Directory*, DOD 4000.25-6-M, normally held at the supporting shore station or ship.

Summarization of Transfers

The value of material transfers and issues to other operating units and shore activities are summarized month] y. The summarization affects the necessary appropriation, subhead, operating budget, and cost accounting adjustments. The summarization does not include the Material Turned In to Store (MTIS) for credit. The mechaninized format or the *Summary of Material Receipts/Expenditures*, NAVCOMPT Form 176, is used to submit the report. The report is prepared and submitted to DAO on or before the 5th day of each month following the month in which the transactions were made.

THE A SUMMARY.— This summary is used to effect funded (chargeable) adjustments between appropriations, subheads, and operating budgets. This also applies to adjustments between operating budgets within an appropriation and subhead. The A summary credit is applied to the type commander of the transferring activity by the DAO.

THE FUEL A SUMMARY.— This summary is prepared monthly by the fleet commander only. This report is based on the information in the Navy Energy Usage Reporting System (NEURS) report that is submitted to the fleet commander.

THE B SUMMARY.— This summary is used to effect statistical accounting adjustments (nonchargeable) between appropriation accounting classifications including adjustments between UICs. For example, transfer of DBOF material between activities under the same type commander will be included in the B summary and is nonchargeable.

SUMMARY

The duties and responsibilities of financial recordskeepers and supervisors aboard ships and ashore are vitally important. Personnel working with financial records must be familiar with the OPTAR, DBOF, and end-use accounting. The AK must learn the procedures for the different OPTARs. The TYCOM issues OPTARs for the operations and maintenance of the activity and for the flight operations (for aviation squadrons). Few AKs get involved with the OPTAR used for repair of other vessels (ROV). These OPTARs are administered and reported as prescribed for by the *Financial Management of Resources Operating Pmcedures (Operating Forces),* NAVSO P-3013. The DBOF is administered and reported as prescribed by various NAVSUP, NAVCOMPT, and DFAS-CL manuals. In this chapter, we discussed the basic principles, procedures, and verifications supervisors must know in financial management. We discussed the DB OF and OPTAR funds as separate entities and their relationships to each other.

The list of terms and definitions will help you understand the procedures and reporting requirements in financial management. The flow of funds and budgeting procedures will give you an idea of how the activities get funded for required material and services. We discussed the symbols and codes used in appropriations, funds, and reports. You will become more familiar with these codes and symbols as you use them.

We discussed the procedures used for managing the DBOF by SAC 207 activities. We also discussed the different FIRs carried in the SAC 207 and the reports generated by the DAO to reconcile the transactions that affect them. We described the different documents that will help you conduct the performance analysis in your activity.

We discussed the procedures, required files, records and logs, and the responsibilities of personnel in maintaining the aviation squadron's OPTAR. As the material control supervisor or senior enlisted person in the squadron, you will be responsible for OPTAR maintenance. This chapter will help you understand your responsibilities to ensure that the OPTAR is properly used, documented, and reported.

You should refer to the publications and manuals discussed in this chapter for the current information and procedures.

CHAPTER 7

AUTOMATED SUPPLY SUPPORT

Today's Navy uses computers to perform various operations to complete its mission. The basic information concerning computers in the Navy is described in the Navy Electricity and Electronics Training Series (NEETS), Module 22, NAVEDTRA B72-22-00-88. The AK must know all the pertinent information in the NEETS Module 22 that applies to supply and maintenance operations. For example, the most common means of submitting requisitions to the supply activity is through a computer. To be able to send the requisition, the AK must know the various hardware and software associated with the computer and how to use it. The AK must know how to use the keyboard, decipher the information on the screen, and input the information. The AK should also know the expected products that result from the transaction input through the computer.

PERSONAL COMPUTER HARDWARE AND SOFTWARE

Personal computers are commonly used throughout the Navy. These computers are used in entering or extracting data to perform various tasks. The computer system is grouped by components or tools known as hardware and software.

HARDWARE

The hardware is the various components that make up the computer. It is composed of all the mechanical, electrical, electronic, and magnetic devices of the computer system. Some examples of the hardware are the central processing unit (CPU), printers, magnetic tape units, and disk drive units.

The CPU, also known as mainframe, is the brain of the computer. The CPU processes the information entered from any of the input devices and then transfers the interim or final results to the output devices.

The purpose of the magnetic tape units (drive or device) is to write data on or read data from a magnetic tape. The data in the tape is stored in a sequential manner. When information is requested, the computer begins researching from the beginning and checks each record until the desired data is found. This process is the same as playing a recorded cassette tape. In a cassette player, to play the third recorded song, the first and second song are played or the tape is fast forwarded to the third song.

The magnetic disk drive units are storage devices that read and write data on the magnetized surface of a rotating disk. As the disk spins, data can be stored or retrieved on the disk in a direct manner. This direct accessing of data is faster than the sequential method. It provides direct access to any specific data without having to scan all the records from the beginning.

Floppy disk drive units are smaller than magnetic disk drive units. The floppy disk drive units are commonly used with personal (desktop) computers. The common size of diskettes used with these units are the 5 1/4-inch or 3 1/2-inch disks.

The printers are used to print coded characters on a document (paper copy). The high-speed printers are used on mainframes to prepare supply requisitions, inventory, or financial reports. The daisy-wheel, dot-matrix, ink-jet, or laser printers are used with personal computers.

The keyboards are designed to input coded information to the computer. It is composed of keyswitches or keys that enter the data when depressed by the operator. The keys are imprinted with a legend to identify their functions. The most common data used to input information are the alphabetic, numeric, or character codes. However, some keys are used for special functions. You should familiarize yourself with the proper operation of the keyboards.

The display devices are known as the screen, monitor, or cathode-ray tube (CRT). This device is part of the computer terminal, computer console, and personal computer that displays the information to the operator. The information displayed is only temporary (known as soft copy).

SOFTWARE

Software can be defined as all the stored programs and routines (operating aids) needed to fully use the capabilities of the computer.

NAVAL AVIATION LOGISTICS COMMAND MANAGEMENT INFORMATION SYSTEM

The Naval Aviation Logistics Command Management Information System (NALCOMIS) has been implemented in most of the naval aviation maintenance activities. The system has automated the policies and procedures of the Naval Aviation Maintenance Program (NAMP). The hardware used in NALCOMIS terminals consists basically of a keyboard and a display screen. Other terminals may also include printers to produce hardcopy notices, reports, or documents. 'These hardware provide an easy method for entering, retrieving, and displaying information needed to support aviation maintenance. The AKs must become familiar and learn to use the computer terminals to perform their tasks. This chapter discusses information that will help you expand your knowledge about NALCOMIS.

The user can access the NALCOMIS by using the menu screen or bypass the menu by entering the conversation code in the proper field. The computer screen contains various information regarding the task being performed. Some of the information on the screen are the conversation code, the screen identification number, the screen title, and the calendar/Julian date. The error messages are also displayed if a field is entered incorrectly or a mandatory entry is left blank. When the user enters H or HELP in the action code field, NALCOMIS displays information about the screen being used. The hardware status messages display messages such as *PRINTER BUSY FAULT,* which can be cleared from the screen by depressing the clear reset key. Refer to the NALCOMIS user's manual for more information about the system's operation.

ACRONYMS

Various acronyms are used in all NALCOMIS operations. Knowing these acronyms will help you become efficient in performing your tasks. The list of acronyms is contained in appendix A of *NALCOMIS* Data *Requirements Documents,* RD-001B. Some of the acronyms are as follows:

ACBAL – Accountable balance

ADP – Automated data processing

ALT – Alternate

A/T – Action taken

ATC – Allowance type code

ATR – Automated transaction report

AV-3M – Aviation Maintenance and Material Management

AWDUE – Awaiting due

AWP – Awaiting parts

BCM – Beyond capability of maintenance

BUNO – Bureau Number

CAGE – Commercial and government entity code

CANCL – Total quantity canceled

CDA – Central Design Agency

COMPL – Completed

CXCMP – Partial quantity received and remaining outstanding quantity is canceled

DDSN – Document date and serial number

DI – Document identifier

DIFM –Due-in from maintenance

DRP – Designated repair point

ER – Expeditious repair (EXREP)

FAQ – Fixed allowance quantity

FGC – Family group code

FRC – Family relationship code

INPRO – In process

ISSER – Issue in process for serial number controlled item

ISSIP – Issue in process

JCN – Job control number

JCRFI – Job complete, ready for issue

LSC – Local status code

MCN – Maintenance Action Form (MAF) control number

NIIN – National item identification number

OFFAR – Offline for alternate NIIN review

OFISS – Offline for issue in process

OFFMP – Offline for manual processing

OFFTR – Offline for technical research

OFROB – Offline for receipt on board

OFVAL – Offline for validation

O/H – On hand (pertaining to quantity)

OMA – Organizational maintenance activity

ORG - Organization

PARTC - Part of quantity ordered has been canceled

PARTI - Part of quantity ordered has been issued

PARTR - Part of quantity ordered has been received

PC - Production control

PEBU - Re-Expended Bin Unit

POD - Roof of delivery

PN - Part number

REFER - Referred to another supply activity

ROB - Receipt on board

SERNO - Serial number

SMQ - Special maintenance qualification

so - Supply officer

TR - Transaction report

WC - Work center

WUC - Work unit code

SECURITY

Only authorized personnel can have access to the NALCOMIS. These personnel are assigned a password that will allow them to access specific functions. A valid password is required as input to sign on to NALCOMIS. Passwords are processed in such a way that NALCOMIS recognizes the user signing on and the user's organization, work center, and special maintenance qualification (SMQ). Passwords are maintained by one person (usually the database administrator [DBA]) at each site. The SMQs assigned to each person will determine the ability to access a specific NALCOMIS conversation. When a user successful] y accesses a NALCOMIS conversation, the user's SMQ and detailed qualifications will determine whether the user is allowed to perform the input. A user will be allowed as many SMQs as determined necessary by the site's DBA.

DATA ELEMENTS

The NALCOMIS is an integrated, online, real-time application system. Because the system is integrated in nature, data elements are defined only once. Any updates to the data elements are tightly controlled through secured transactions. These transactions are available online to authorized users or can be controlled through interfaces with outside systems. The database in NALCOMIS consists of ***dynamic*** and static data elements.

The ***static*** data elements are used mainly for reference or validation purposes during the operation of the system. Many of these elements are added to the system during initial installation. It requires minimal updates during the use of the system. These data elements are updated by the use of a unique set of programs. The programs are executed only by the authorized individual who is responsible for maintaining the integrity of the database. Some examples of static data elements are the *Type Equipment Code (TEC)* and the *Work Unit Code (WUC).* The TEC and WUC are identifiers on maintenance activity transactions and must be verified before information can be added to the database. With this reference information captured in the system, maintenance for a specific TEC or WUC can be summarized and reported for historical purposes.

The ***dynamic*** data elements are updated routinely through online transaction activity or interfaces with other systems. In NALCOMIS, data may be updated or changed by a single input or several inputs. For example, the status of requisitions can be updated by a user or an interface computer system. Users with the proper security authorization can input, update, display, report, and delete these data elements.

SYSTEM OUTPUT

The output from NALCOMIS comes in different formats depending on the user's input. The output formats are described in the following paragraphs.

Display Screens

The output to the terminals can be viewed on the display screen. For inquiries, the data will be displayed on the screen with normal intensity. If the user is viewing an update/delete screen, the modifiable data will output to the screen in bright intensity and will be underscored.

Hardcopy Notices

The hardcopy notices are produced on paper products at a local printer. The data output on these notices include copies of data displayed on the terminal, formatted messages, or data for preprinted forms.

Hardcopy Reports

The hardcopy reports are produced by batch programs in the computer system. The reports usually contain multiple pages of data and are normally produced from a high-speed printer.

Magnetic Tapes

Magnetic tapes are used to record data for use as a backup in case the data is lost in the computer system. Magnetic tapes are also used to record data for history, interface to other computer systems, and offload/onload data.

Networks/External Interfaces

Communication networks facilitate transfer of data to other external computer system interface. For example, maintenance transactions are interfaced to the aviation 3-M systems. The interface allows communication between the two systems. Afloat, the NALCOMIS is interfaced to the Shipboard Uniform Automated Data Processing System (SUADPS). Ashore, NALCOMIS is interfaced with the host computer system such as Uniform Automated Data Processing System (UADPS).

Diskettes

Magnetic diskettes are used to transfer data upline to SUADPS for verification purposes. The batch portion of NALCOMIS results are stored in these diskettes on a periodic basis.

PROCESSING PROCEDURES

Most of the data collected by NALCOMIS is obtained from an authorized user entering the information on terminals. The system has a standard data entry screen for initially collecting information. It also has a standard update/delete screen for modifying or deleting previously entered information. All the data collected in NALCOMIS are subject to validation for accuracy in format, completeness, and logical relationships with other information. Users can benefit from the on-line and real-time capability of the system by entering the data immediately. This simply means that if there is an immediate requirement for material or services, submit the request right away.

Specific formats are used for collecting data in terms of online screen layouts and report layouts. You will become familiar with these layouts as you use them. Some of the screen types are *Data Entry, Delete, Key Prompt, List Display, List Select, Menu, Update, Update/Delete,* and *Display*. Output formats for the reports generated by NALCOMIS include both hardcopy notices and batch reports.

In providing supply support, each task is assigned to different echelons of the supply department. You must know the various supply organizations and their responsibilities. The Aviation Support Division (ASD) organization and its responsibilities are described in the *Naval Aviation Maintenance Program* (NAMP), OPNAVINST 4790.2. Different areas in the ASD are responsible for perrforming their specific tasks. Each task involves processing transactions through the NALCOMIS or manual procedures. Each area of the ASD uses the NALCOMIS desktop reference to perform the automated functions. These functions are described in the following paragraphs.

AVIATION SUPPORT DIVISION

The ASD consists of two sections: the *Supply Response Section* (SRS) and the *Component Control Section* (CCS). The units under the SRS are the Requisition Control Unit (RCU), the Technical Research Unit (TRU), the Program Management Unit (PMU), the Material Delivery Unit (MDU), and the Pre-Expended Bin Unit (PEBU). The units under the CCS are the Document Control Unit (DCU), the Local Repair Cycle Asset (LRCA) Storage Unit, the Supply Screening Unit (SSU), and the Awaiting Parts (AWP) unit.

The ASD uses different types of forms and documents in processing supply transactions. In NALCOMIS, the forms maybe generated by computer. These forms include the DD Form 1348 and DD Form 1348-1. The documents generated by NALCOMIS include Hard Copy Notice (HCN) and required reports. In manual procedures, the forms and documents used are those prescribed by NAVSUP P-437, NAVSUP P-485, and NAVSUP Publication 1, Volume 2.

RESPONSIBILITIES

A complete list of ASD responsibilities is defined in OPNAVINST4790.2. Some of these responsibilities are described in the following paragraphs.

Response Standards

The ASD must process requisitions and provide status according to the prescribed response standards.

The supply response standards are defined in OPNAVINST 4790.2.

Listings and Reports

A listing of outstanding Not Mission Capable Supply (NMCS) and Partial Mission Capable Supply (PMCS) requisitions and status must be prepared daily. A copy of the listing is distributed to the appropriate organization for validation.

A copy of the AWP status report is provided to the IMA on a daily basis.

The Individual Component Repair List (ICRL) is used to determine the IMA's repair capability for a particular item.

Phase Kits

The ASD may establish a Phase Maintenance Kit Program when authorized by the type commander (TYCOM). When used, the following procedures apply:

- Coordinate with maintenance activities to determine the material and quantity required to be stocked
- Establish local procedures for ordering material
- Make the required number of kits
- Ensure the material in the kit is not overaged
- Pre-expend the cost of the kits
- Issue kits on demand

Supply Response Section (SRS)

The SRS serves as the single point of contact for satisfying material requirements received from maintenance. Mainly, the SRS supports the local Organizational Maintenance Activity (OMA) and Intermediate Maintenance Activity (IMA). The SRS is responsible for performing the following functions:

- Process requisitions (ensure requisitions have the required data)
- Maintain files for all requisitions
- Transmit requests to other processing points as required
- Deliver all parts and material
- Monitor and review all mailbox messages in NALCOMIS
- Maintain PEB when authorized
- Expedite high priority requisitions (Refer to OPNAVINST 4790.2 for the list of mandatory data for requisitions in support of aviation maintenance.)

The supply response section processes requests for material as discussed in the following paragraphs.

CONSUMABLE MATERIAL PROCESSING.— In NALCOMIS, the SRS processes requirements for consumable material using the following procedures:

- The OMA and IMA submit material requirements to SRS by using conversation codes N601, N602, N603 (PRE-X), N204, N251, and N253.
- The SRS receives the hardcopy notice (HCN), DD Form 1348-1, via printer. (The status of the requisitions can be viewed by using conversation code N668 and entering the document date and serial number [DDSN]).

Material Is Available.— The SRS uses conversation code N610 to update the local status code (LSC) of the requisition. Conversation code N610 can also be used to input the alternate NIIN and the actual quantity that is being issued if it is different from the quantity ordered. This conversation code generates a DD Form 1348-1 for each Requisition record, as appropriate.

— Activities under UADPS-SP/DOSS use conversation code N613 (ROB). When used under SUADPS-RT3, it will create the supply interface records.

— The requisition status can be determined by using conversation code N668. The LSC of the requisition should be ISSIP/ROBN. At UADPS-Level 2 sites, status reads the ISSIP from incoming AE1 BA.

Upon notification, MDU picks up material from the designated pick-up point and delivers the material to the designated delivery point of the customer.

Upon receipt of the signed copy of the DD Form 1348-1, SRS processes the proof of delivery (POD) by using conversation code N615. This will update the LSC on the requisition to COMPL, CXCMP, OFISS, OFROB, or PARTR. (Upon completing the POD

transaction in conversation code N615, conversation code N668 inquiry should have an LSC of COMPL.)

The LSC OFISS discrepancy may exist when the quantity entered in conversation code N610 does not match the issued quantity on conversation code N615. Perform the following steps to clear/update the requisition:

1. First, use conversation code N655 to view the DDSN in OFISS status. (Conversation code N668 inquiry status also reads OFISS.)

2. Second and final step, use conversation code N652 to update POD to equal ISSIP quantity. (If the transaction is successful, conversation code N668 inquiry should have an LSC of COMPL.)

Material Is Not Available.— When the material requested is not carred (NC) or not in stock (NIS), the following procedures apply:

- If material is not available, the LSC is updated to REFER by using conversation code N610. The requisition record is also identified as NIS or NC, referring to material availability. The REFER quantity can also be updated if it is different than the quantity ordered. (The status on conversation code N668 inquiry should read NC or NIS.)
- A copy of DD Form 1348-1 is forwarded to PMU for referral action.
- Conversation code N689 is used to display all requisitions with an LSC of NIS or NC.
- In pre-post activity (SUADPS-RT3), the following procedures are used to process requisitions with LSC of NIS/NC for referral:
  - — View DDSN with LSC NIS/NC by using conversation code N689. (The status code in conversation code N668 should be NIS or NC.)
  - — Select REFER in conversation code N610 screen by putting an X on the REFER block. This action also creates supply referral interface record. (After processing the transaction in conversation code N610, the status code in conversation N668 inquiry should read BM.)

REPAIRABLE MATERIAL PROCESSING.— Supply will receive requisitions from customers through conversation codes N601, N251, N249, and N252.

Repairable (Non-Serial Number) Item Issue.— Material requests are processed according to the following procedures:

- Customers will submit requisitions using any conversations codes mentioned above.
  - — The system will print DD Form 1348-1 at the designated printer.
  - — The system prints a Critical Item Notice when RFI quantity reaches critical level.
  - — The status code in conversation code N668 inquiry reads ISSIP.
- The transaction decreases the RFI onhand quantity and increases the SOIOU quantity.
- The unit, where the designated printer is located, forwards the DD Form 1348-1 to MDU for delivery of the RFI item and pick up of NRFI turn-in for induction to the repair cycle.
- Enter issued quantity for proof of delivery by using conversation code N615. (The status code in conversation code N668 inquiry reads COMPL.)
- The NRFI turn-in will be inducted by AMSU into the repair cycle. (Conversation code M675 DIFM inquiry shows the detailed information of the item inducted.)
- Upon completing the repair cycle, the repairable item will be either repaired (RFI) or declared as beyond capability of maintenance (BCM). (Conversation code N812 displays the message COMPLETED REPAIR ACTION of the MCN.)
- Process due-in from maintenance (DIFM) by using conversation code N621. This transaction will clear the completed MCN from the DIFM quantity of conversation code N677 and the conversation code N812 Mailbox.

Repairable Turn-In Is Repaired.— If the turn-in is repaired and returned to *Ready For Issue (RFI)* status, the following procedures apply:

- Upon receipt of RFI item from AIMD, determine if there is an outstanding requirement for the asset in conversation code N621 select screen.
- If no outstanding requirement, the system will generate a stow hardcopy notice after processing in conversation code N621.

- If there is an outstanding requirement, select transaction from screen display titled, DIFM Return Issue Select" in conversation code M621. (After selecting the issue, the status of the selected DDSN should read ISSIP.)
- The system will create the Divert to Other Customer Notice when the item is being issued to a customer other than the original customer. (The term ***ORIGINAL CUSTOMER*** refers to the activity who turned-in the repairable item that was repaired.)
- The system will generate the DD Form 1348-1 when the item is being issued to the original customer. (After processing in N621, the system creates supply interface records].) The UADPS creates interface record if the NIIN issued is different from the NIIN RFI'd as a result of stock cross-i ssues.)
- Upon receipt of signed copy of the issue document, enter the quantity issued for proof of delivery by using conversation code N615. (The status code in conversation code N668 inquiry reads COMPL when transaction is completed in conversation code N615.)

Repairable Item Is Not Repaired.— If the repairable item is not repaired and determined as beyond capability of maintenance (BCM), the item is in a Nor *Ready For Issue (NRFI)* condition. Upon receipt of the NRFI component from IMA, determine if the item is stock asset or inducted as expeditious repair (EXREP).

If the repairable item is EXREP (the item belongs to the customer), process the requisition as follows:

- The EXREP requisition will be updated to an LSC of REFER after processing the return of component in conversation code N621.
  - — Conversation code N621 will decrease the DIFM counter.
  - — Interface records will be created.
  - — The status code in conversation code N668 inquiry should read REFER.

If the repairable item is stock asset, use the following procedures:

- Processing of conversation code N621 for stock asset will result in a decrease in DIFM counter and an increase in the due counter.
  - — The system will perform stock replenishment as required.
  - — The system will print the DD Form 1348-1 shipping document according to MRIL if the disposition is shipment to the designated repair point (DRP) or Hub.
  - — 'he conversation code N671 inquiry will display the stock due for the family group code (FGC).
  - — Conversation code N669 inquiry displays all outstanding DDSNs for the NIIN.

Requisition Control Unit (RCU)

The RCU is responsible for receiving material requests from OMA and IMA and maintaining associated files and reports. The RCU is also responsible for forwarding issue documents to MDU and requisitions requiring research to TRU.

MATERIAL ISSUE.— When material is issued from stock, RCU receives the proof of delivery (POD) from MDU, processes conversation code N615, and files the POD.

MATERIAL IS NIS/NC.— If the requested material is not available, RCU processes the requisition as follows:

If the material requested is consumable, annotate the requisition as NIS or NC. Forward the requisition to TRU for possible substitute or next higher assembly. If unable to fill the requisition, update the LSC to REFER. For NMCS, PMCS, and work stoppage requisitions, forward to PMU for referral to the supply system.

If the material requested is repairable, RCU will receive a copy of DD Form 1348 marked EXREP. Requests being processed for EXREP because of warehouse refusal must be verifiied. Before processing the requisition as EXREP, check all the staging areas for the material. If RFI material is not found, process warehouse refusal in NALCOMIS through conversation code N628. Forward the DD Form 1348 marked EXREP to MDU for pick up of the repairable turn-in. Requisitions for an authorized remain-in-place item that is NIS/NC will be forwarded to PMU for referral to the supply system.

DISCREPANT MATERIAL ISSUED.— There will be some instances when the item issued to the customer is discrepant and will not satisfy the requirement. For example, the material issued is a

wrong item, the item is non-RFI, or the item is mislabeled.

If the erroneous item being issued is RFI, return the item to the location and breakout the correct item for issue. If the item is not available for issue, process the requisition as warehouse refusal and update the LSC to EXREP. If the erroneous item being issued is non-RFI, exchange with a correct RFI part, if available. If the item is not available, process the warehouse refusal and update the LSC to EXREP.

MISCELLANEOUS PROCEDURES.— Some situations will arise and will require actions to keep inventory records in agreement with the quantity in storage. The procedures for processing the required transactions are described in the following paragraphs.

Inventory Adjustments of Repairable Assets.— To perform this task, follow the procedures described below.

- Review stock posture by using conversation code N677. The screen will display stock status information.
- Use conversation code N632 to generate inventory listing. Conversation code N632 allows supply personnel to start a spot inventory of a specific FGC or up to four NIINs. It also contains options to generate an inventory of larger quantity such as specific pool type or all repairable items.
- Conversation code N634 is used to display all inventory records for completion or cancellation. (If the inventory is processed as complete and the physical count has not been posted, the system will generate a request for RFI inventory exception listing. This report request is submitted to the system administrator to print the RFI inventory exception listing.)
- If there is no adjustment needed to the inventory records, no further action is necessary.
- If adjustment to the inventory record is required, determine if the transaction that needs to be processed is LBI or GBI.
- If the transaction is LBI, use the procedures for survey.
- If the transaction is GBI, post the RFI quantity by using conversation code N633.
  - — Conversation code N633 allows the issue of outstanding D173 requisitions.
  - — If there are no outstanding DTO requisitions or the material is returned to stock, the processing in conversation code N633 will decrease the suspense counter and increase the RFI counter.
- The gained RFI quantity may be issued to a requisition in EXREP or REFER status.
- If the RFI quantity is issued to an EXREP, process the transaction by using conversation code N668. Update the LSC to ISSIP, ISSER, or ISSMA.
- Issue of the RFI quantity to a requisition with REFER status creates an external AC1 (cancellation request) in UADPS sites only.
  - — Processing the RFI quantity for issue adjusts DIFM and ERIOU and decreases the suspense counter.
  - — Selecting issue transaction will also create supply interface records and print HCN DD Form 1348-1 (issue document).
- Upon receipt of the signed copy of the issue document, enter the quantity for proof of delivery by using conversation code N615. (The status on conversation code N668 inquiry should read COMPL after processing the transaction in conversation code N615.)

Survey Processing.— Process the survey only upon receipt of the completed DD Form 200. Surveys are processed by using conversation code N635, N636, or N638. The survey is also processed for material lost in shipment by using conversation code N613.

Conversation code N635 is used to record the survey of an item for which the survey document is received from the requisitioner (customer) in exchange for an RFI asset. (Conversation code N635 creates supply interface records.) After completing the survey process in conversation code N635, conversation code N676 screen display should show a decrease in Supply Officer IOU (SOIOU) quantity.

The conversation code N636 is used to record the survey of a DIFM for which a survey has been received from the IMA in exchange of a lost or missing component.

- — After processing the transaction in conversation code N636, conversation code N675 inquiry will show a decrease in DIFM quantity.

— The system assigns an LSC of REFER to the customer's requisition if the DIFM management code is ER.

— The system generates the survey of special repair asset notice if the DIFM management code is CX or OW.

The conversation code N638 is used to record a survey of an asset previously transferred to a suspense record during the inventory process or other unspecified reasons and a survey document has been completed. (Processing conversation code N638 will create REP INTERFACE if the accountable balance [ACBAL] is less than the freed allowance quantity [FAQ].)

The conversation code N613 is used to process material that was lost in shipment.

— If the material processed as lost in shipment is DTO, conversation code N668 inquiry should read COMPL.

— If the material processed as lost in shipment is for stock, process the survey by using conversation code N637.

The conversation code N637 is used to record the survey of an asset that has been determined to be lost in shipment (LIS) during the ROB process and a survey document has been completed.

— Conversation code N637 will delete the suspense record with the suspense management code of LS.

— After processing the transaction in conversation code N637, conversation code N668 inquiry status reads COMPL.

Subcustody Processing.— When authorized, supply assets may be issued to customers on a subcustody basis.

Process subcustody issues as follows:

- Supply personnel check the stock status quantity by using conversation code N670.
- If material is available, it is transferred to subcustody, pack-up, or suspense status by using conversation code N622.
  — Processing conversation code N622 will decrease the RFI counter and increase the subcustody counter. It will also generate the subcustody notice.
- After processing of conversation code N622, conversation code N672 inquiry should display the asset in subcustody.

Process subcustody returns as follows:

- The customer returns the material issued on subcustody back to supply. Supply personnel in CCS must verify the part number and serial number of material being returned.
- The CCS also determines if the item is RFI or NRFI.
- Conversation code N623 is used to return the item from subcustody, pack-up, or suspense to RFI status.
- If the item being returned is NRFI, process the return in conversation code N623 and transfer it from subcustody to suspense for work request action. Conversation code N245 is used to initiate a maintenance action form (MAF) for a work request.
- If the item being returned is RFI, process the return in conversation code N623, and determine if there are outstanding DDSNs.
- If there are no outstanding DDSNs, no further action is required. (The system will decrease the subcustody counter and increase the RFI counter.)
- If there are outstanding DDSNs, select if ISSUE or PUT TO STOCK.
- If item is to be put to stock, select RETURN RFI TO STOCK in conversation code N623.
- If the item is going to be issued, check the status of the outstanding requisition if EXREP or REFER. Update the current LSC of the requisition to ISSIP, ISSER, or ISSMA by using conversation code N610. (In UADPS sites, the system generates an external AC1 [cancellation] if the LSC of the requisition is REFER.)
- Conversation code N668 inquiry should read ISSIP, ISSER, or ISSMA.
- Conversation code N610 processing creates supply interface records and prints the DD Form 1348-1.
- Enter the quantity issued in conversation code N615 for proof of delivery.

- Conversation code N668 inquiry on the applicable requisition should have an LSC of COMPL.

Technical Research Unit (TRU)

The personnel assigned to TRU are responsible for conducting in-depth technical research to identify material ordered by customers. This unit uses different publications, stock lists, and any available references to verify data elements, determine substitutes, next higher assembly (NHA), superseded items, kits, and units per application. To ensure that the requested item is correctly identified verify the part number (PN) and the commercial and government entity (CAGE) code of the item. The TRU is also responsible for the following:

- Performs the initial screening and technical research of all requisitions with an LSC of OFFTR or OFFVAL.
- Maintains a library of technical publications, allowance lists, an ARR, and locator listings.
- Reviews Material Report (MR) source document validation/error report, corrects errors, and submits corrections to data services facility (DSF) for processing.

To clear the LSC OFFTR, use the following procedures:

- The TRU will receive a hardcopy notice (HCN) when the CAGE/PN in the requisition is not included in the database.
- View the requisition with an LSC of OFFTR by using conversation code N682. During this time, verify if the CAGE/PN is correct.
- If the CAGE/PN is wrong, correct them by using conversation code N604.
- If the CAGE/PN is listed on the database, process the transaction by using conversation code N610

After processing, the following apply:

— Supply interface records are created.

— Conversation code N668 inquiry displays the updated LSC.

— Conversation code N682 displays requisitions with an LSC of OFFTR.

- If the CAGE/PN is not listed on the database, use other publications to verify if the CAGE/PN crosses to a valid NIIN.
- If the CAGE/PN does not cross to a NIIN, refer to other available technical publications for information such as the source code or kit number. If available tools failed to identify the required item, ask the customer for additional information or a sample of the item. In some cases, the customer may request cancellation of the requisition. If cancellation is requested, process it by using conversation code N610, select CANCEL and enter reason in REF block. Conversation code N668 status inquiry for the applicable requisition should read CANCL.
- If the customer desires to keep the requisition record outstanding, add the CAGE/PN to the database by using conversation code N656. Use conversation code N604 if the requisition record needs updating. Update the LSC of the requisition by using conversation code N610.

After processing, the following apply:

— Supply interface records are created.

— For NALCOMIS LICN, off-line CAGE/PN MILSTRIP message must be processed according to local policy. Interface records may be created depending upon conditions.

— Conversation code N668 status inquiry should reflect the updated LSC.

— Conversation code N682 displays requisitions with an LSC of OFFTR.

If the CAGE/PN on the requisition crosses to a valid national item identification number (NIIN) but not on the database, process the requisition as follows:

- If the assigned NIIN of the CAGE/PN is not on the database, continue performing technical research for other required information. Add the national stock number (NSN) to the record by using conversation code N650. ADD the CAGE/PN by using conversation code N656.
- If there are alternates or substitutes for the NSN, add the records by using conversation code N650, add their respective CAGE/PN by using conversation code N656, and add the alternate NIIN by using conversation code N653.
- Process the requisition by using conversation code N610.

After processing, the following statements apply:

— Supply interface records are created.

— For NALCOMIS LICN, off-line CAGE/PN MILSTRIP message must be processed according to local policy. Interface records may be created depending upon conditions.

— Conversation code N668 status inquiry should reflect the updated LSC.

— Conversation code N682 displays requisitions with an LSC of OFFTR.

Requisitions with LSC of OFVAL are processed as follows:

- Upon receipt of LSC OFVAL notice, perform HCN technical research. (Conversation code N683 inquiry displays DDSNs with LSC of OFVAL.)
- Verify if the quantity or price on the requisition is valid.
- If the quantity or price is invalid, process cancellation by using conversation code N610. Enter the reason for cancellation in the reference/local block. (Conversation code N668 status inquiry on applicable requisition should read CANCL.)
- If the quantity or price is valid, use conversation code N604 to clear/approve the requisition out of the queue. (Queue-Where a transaction is stored in an operating system until its priority is reached for processing by the computer.) The system will update the LSC of requisition to INPRO or REFER and should be displayed in conversation code N668 inquiry.

Program Management Unit (PMU)

The PMU is responsible for processing and expediting high priority requisitions. The PMU performs the following tasks:

- Verify requisitions for validity and identify applicable information such as interchangeable, substitutes, and next higher assembly.
- Refer NMCS/PMCS/work stoppage requisitions that were confirmed as NIS/NC. Maintain DTO due file.
- If the item inducted as EXREP was repaired (RFI), ensure the material is expeditiously delivered to the customer.
- If the item inducted as EXREP is confirmed beyond capability of maintenance (BCM), refer the requisition to the supply system.
- Prepare and submit requisitions for part numbered items by using the applicable means of communications.
- Process requisition status received from the supply system.
- Process receipt on board (ROB) and proof of delivery (POD) actions.
- Ensure transactions are posted to the computer system that is interfaced with NALCOMIS.
- Monitor outstanding requisitions and perform requisition validations. Submit follow-up, cancellation, or modifier when necessary.
- Initiate survey for material lost in shipment on DTO requisitions.
- Prepare and submit the Aircraft Material Readiiness Report (AMRR).

The PMU processes direct turnover (DTO) receipts as follows:

- Receive material from offstation via receiving section/branch.
- Process ROB by using conversation code N613.

After processing the transactions, the following apply:

- Conversation code N613 generates the ROB movement notice for DTO receipt. It also creates supply interface records.
- Conversation code N668 status inquiry reads LSC of ROBN.
- Notify MDU to deliver the material to the customer.
- Enter the quantity received for proof of delivery by using conversation code N615.

After processing the transactions, the following apply:

- Conversation code N668 status inquiry reads an LSC of COMPL after processing the requisition in conversation code N615.
- Create supply receipt interface records (SUADPS-RT3) if LSC is not ROBN.

Material Delivery Unit (MDU)

The MDU is responsible for the delivery of material to the customer within the established time frame. This unit is also responsible for picking up material from the customers and forwarding them to supply or maintenance.

Material delivery unit is responsible for performing the following tasks:

- Receives material and associated documents from the designated pick-up points.
- Delivers material and associated documents to the designated delivery points.
- For repairable item issues, picks up the turn-in, logs and records (if applicable) except when delay turn-in is authorized. Validate the CAGE/PN on the turn-in MAF against the issue document. Sign and provide a copy of DD Form 1348 to the customer for use as proof of repairable turn-in. Deliver the turn-in to the Aeronautical Material Screening Unit (AMSU) via SSU.
- Has the customer sign and annotate the date and time on the issue document when material was delivered.
- Submits signed proof of delivery (POD) copy to the unit assigned to process the applicable documents.
- Forwards warehouse refusal requisitions to the RCU for further processing.
- Receives ***EXREP*** or work stoppage notice from DCU and picks up the applicable components from the customers.
- Delivers *EXREP* or work stoppage component and associated documents to AMSU via SSU.

The NALCOMIS conversation codes primarily used by MDU are N613, N615, N618, N628, and N630. The supporting conversation codes used by MDU are N606, N624, N635, N652, N655, N658, N668, N676, and N693. These conversation codes are described in NALCOMIS user's manual.

Pre-Expended Bin (PEB) Unit

The PEB unit is responsible for managing consumable items that are authorized to be pre-expended. Pre-xpended means the item has been paid for by an appropriate account. Since the items are pre-paid, material issued to supported maintenance activities will not require another financial transaction. The PEBs are located in areas that are readily accessible to maintenance personnel. When feasible, PEBs should be located where they can be observed by PEB personnel to ensure their proper usage.

To be included in the PEB, the item must have a minimum demand frequency of three per month. The supply officer and the aviation maintenance officer are jointly responsible for determining the items to be added to or purged from the PEB. The total quantity of each item must not exceed an estimated 30-day supply. The PEB stock level requirements for the Metrology and Calibration Program are determined from usage data collected from metrology equipment recall cards by ASD. Items with a unit cost of $150.00 or less can be routinely included in the PEB. Eligible items with a unit cost over $150.00 will be authorized by the commanding officer.

The SRS is responsible for replenishing stock in PEB. The stock records are reviewed quarterly to ensure the items meet the demand frequency requirements. The items that do not have sufficient usage are purged and returned to the supporting supply department. As a minimum, any item that does not have a demand within the last 12 months is purged from the PEB.

Pilferable PEB items are retained within an enclosure with access limited to authorized personnel only. Various items are NOT authorized for inclusion in the PEB. These items are listed in volume 1, chapter 19, of OPNAVINST 4790.2.

The NALCOMIS conversation code N603 is used to initiate a requisition for replenishment of material for the PEB. This conversation code contains an option to produce the PEB requisition listing. Refer to the NALCOMIS user's manual for detailed information about conversation code N603.

Component Control Section (CCS)

The CCS performs repairable management functions in support of the Navy supply system. The CCS is responsible for accounting for repairable in storage, repair cycle, and holding areas within the organization. The CCS consists of four units. 'hey are the Document Control Unit (DCU), Local Repair Cycle Asset (LRCA) Storage Unit, Supply Screening Unit (SSU), and Awaiting Parts (AWP) Unit. The CCS is the direct link between the supply department and the intermediate maintenance activity (IMA).

The CCS manages repairable items by performing the following tasks:

- Stores and manages LRCA in controlled access areas near the aviation maintenance areas.
- Ensures that LRCA stock records used independently from the master stock item records are in agreement.
- Ensures the issue and control procedures are followed when processing requisitions.
- Receives and processes repairable from IMA.
- Manages repairable items in AWP and control requisitions for bits and pieces parts.
- Ensures all transactions affecting repairable item stock records are submitted to stock control.
- Ensures material reporting transactions for repairable are processed.
- Ensures proper workload priorities are assigned for repairable inducted for repair.
- Enforces management policies and procedures for all uninstalled or in-work DLRs, FLRs, and supply assets.

The CCS processes specific transactions as discussed in the following paragraphs.

PROCESSING EXPEDITIOUS REPAIR (EXREP).— TMS transaction is processed when a requisitioned repairable item is not available from stock. This procedure includes the removal of the item from the aircraft/equipment, immediate delivery and induction to IMA for repair, and the earliest return of the item to the customer. The NALCOMIS procedures include the following steps:

- Customer orders repairable items by using conversation code N601, N249, or N251. Requirements submitted through conversation codes N249 and N251 must have approval on conversation code N252. These transactions increment the ERIOU quantity.
  - — Conversation code N668 status inquiry reads ERIOU.
  - — The system will print the EXREP turn-in notice at the designated printer.
  - — Conversation code N676 displays the ERIOU quantity of a particular NIIN, FGC, CAGE/PN, or owed by a particular organization.
- The supply unit processing the EXREP requisition should forward the turn-in notice to MDU.
  - — The MDU will pickup the turn-in item from the requisitioner and deliver the defective item to AMSU.
  - — The defective item will be inducted by AMSU into the repair cycle. Conversation code N675 DIFM inquiry shows the detail of item inducted.
- The summary repairable stock status inquiry, conversation code N677, shows decrease in ERIOU quantity and increase in DIFM quantity.
  - — Conversation code N812 mailbox message generated by the maintenance process lists all completed MCNs.
  - — Conversation code N668 status inquiry reads LSC of JCRFI.
- Process return of component from DIFM by using conversation code N621.
  - — This transaction clears completed repair MCN from DIFM ER quantity and mailbox.
  - — This conversation code brings up issue select option to display outstanding DDSN.
  - — Verify that the transaction quantity has cleared by using conversation code N677.
  - — The system prints the DD Form 1348-1 if the LSC is ISSIP (for non-serial number controlled), ISSER (for serial number controlled item), or ISSMA (cross issue for UADPS site only).
  - — The transaction creates supply interface record(s),
  - — Conversation code N668 status inquiry reads LSC of ISSIP, ISSER, or ISSMA.

. Attach return-to-customer notice to the RFI component for delivery.

. The MDU delivers the RFI item to customer and returns the signed POD.

. Enter the issued quantity for proof of delivery by using conversation code N615. (Note: After processing in conversation code N615, the status

inquiry in conversation code N668 should read COMPL.)

ISSUE PROCESSING.— The following issue procedures apply to non-serial number controlled repairable items.

- Customer orders requirements through conversation code N601, N249, N251, or N252 processing. These transactions will increase the IOU quantity.
  - — Conversation code N668 status inquiry reads ISSIP
  - — The DD Form 1348-1 (issue document) is printed at the designated printer location.
  - — The system prints a critical item notice when the RFI quantity reaches critical level.
  - — Use conversation code N677 to check on RFI and IOU quantity of the item. The transaction decreases the RFI on-hand quantity.
- Forward the DD Form 1348-1 (issue document) to MDU for delivery of RFI item to the requisitioner. The MDU also picks up the turn-in from the customer and delivers the item to AMSU.
- Enter the issued quantity for proof of delivery by using conversation code N615. (Note: Conversation code N668 status inquiry reads an LSC of COMPL.)
- The defective item will be inducted by AMSU to the repair cycle.
  - — Conversation code N675 DIFM inquiry shows the detail of item inducted.
  - — Maintenance will perform repair flow processing and provide RFI or BCM status on the inducted component.
  - — Conversation code N812 lists all completed MCN for supply review.
- Use conversation code N621 to clear the completed MCN from the DIFM quantity in conversation code N677 display and mailtbox message in conversation code N812.
- If the item is confirmed BCM, it will decrease the DIFM counter and increase the due counter.
  - — Stock replenishment is performed if required.
  - — The system assigns replenishment DDSN and prints DD Form 1348-1 shipping document.
  - — Conversation code N671 inquiry displays stock due for the FGC.
  - — Conversation code N669 displays all outstanding DDSNs against the NIIN.
- If the item is confirmed RFI, it may be returned to stock or issued to an outstanding requirement.
- If the item is returned to stock, the transaction will decrease the DIFM counter and increase the RFI counter. This transaction is processed by selecting N in the SELECT ISSUE OVERRIDE in conversation code N621.
- If the item is to be issued to an outstanding requisition, select Y in the SELECT ISSUE OVERRIDE in conversation code N621. This transaction will decrease the DIFM counter and adjust the ER counter to SO counter.
  - — Conversation code N668 status inquiry should read ISSIP, ISSER, or ISSMA.
  - — The system prints DD Form 1348-1 issue document.
  - — The system creates supply interface records.
- Enter quantity for proof of delivery by using conversation code N615. (Note: Conversation code N668 status inquiry should read COMPL.)

REPAIR AND RETURN PROCESSING.— Repairable items forwarded for repair and return should have an action taken code of D assigned when processed in conversation code N812. Conversation code N621 is used to enter the UIC of the repairing activity and to clear the mailbox.

- — The system prints the DD Form 1348-1 Repairable Movement Document.
- — Upon completion of work receive item or notification from repairing activity. The originating activity may be notified that the item was shipped to the DOP by the repairing activity.
- Upon return of the item from the repairing activity, the originating activity processes the transaction by using conversation code N641. This conversation will record the disposition of the item and produce the necessary hardcopy notice to accompany the component as follows:

— *Generates the DIFM Return Stow Notice if the* item is being returned to stock

— Generates the *Divert To Other Customer Notice* if the item is being issued to a customer other than the original customer

— Generates the DD Form 1348-1 issue document if the item is being issued to the original customer

— Generates the DD Form 1348-1 MRIL shipping document if the item is confiimed BCM and being shipped to the DOP or Hub activity

— Generates *Return To CustomerNotice if the* item is returned as BCM with an action taken code D (NRFI) by maintenance and is to be returned to the customer

- If the item returned by the repairing activity was confirmed as BCM, the receiving activity should process the transaction by using the stock or EXREP procedures

For NRFI return (BCM), the following procedures apply:

- If the BCM item processed in conversation N641 is stock asset, the transaction will result in the following:
  — decrease in the DIFM counter and increase in the due counter
  — create supply interface records
  — replenishment of stock
  — assignment of the replenishment stock number by the system
  — create DD Form 1348-1 MRIL shipping document for the retrograde
  — display of stock due in conversation code N671 inquiry
  — display of all outstanding DDSN for the specific NIIN is by using conversation code N669
- If the BCM item processed in conversation code N641 is customer's asset (EXREP), the transaction will result in the following:
  — decrease in the ER DIFM counter
  — create supply interface records
  — conversation code N668 inquiry reads status of REFER
  — create DD Form 1348-1 MRIL shipping document for the retrograde
  — conversation cede N669 inquiry lists all outstanding DDSNs for the specific NIIN

For RFI return (repaired), the following procedures apply:

- Processing the RFI item in conversation code N641 will include making a decision if the item is to be issued to an outstanding requisition or is to be returned to stock.
- If the item is NOT to be issued, the transaction will result in the following:
  — a decrease in the DIFM counter and an increase in the RFI counter
  — generate a stow hardcopy notice
- If the item is to be issued to an outstanding requisition, the issue should be selected in conversation code N641.
- If the override option is NOT selected, the following transactions will occur:
  — a decrease in the DIFM counter and an increase in the RFI counter
  — generate a stow hardcopy notice
- If the DIFM management code of the item being processed is SO, the receiving activity can select the override option Y. If the DIFM management code of the item being processed is ER, no other entry in the computer screen is allowed
- After selecting the issue in conversation code N641, conversation code N668 inquiry should read ISSIP, ISSER, or ISSMA.
- The transaction will adjust the DIFM ERIOU counter to SO counter.
  — The system prints the DD Form 1348-1 issue document.
  — The system creates supply interface records.
- After delivery of material, enter the quantity issued for proof of delivery by using conversation code N615.
- Conversation code N668 status inquiry should read COMPL.

WHEEL ASSEMBLY PROCESSING.— The processing of requisitions for wheel assembly involves several steps.

The first step is receiving the requirement from the customer. The system will determine material availability and print issue document. The transaction is processed in conversation code N615 for proof of delivery. If material is not available, conversation code N668 status inquiry will read ERIOU.

The next step is inducting the wheel assembly to the repair cycle. During this process, it is determined if the rubber tire needed to build the wheel assembly is consumable or repairable. The procedures are as follows:

- The IMA orders the rubber tire by using conversation code N251 that requires approval by the PC on conversation code N252.
- If the rubber tire is available in stock, conversation code N668 inquiry should have status of ISSIP or ERIOU (repairable). The tire is delivered to the delivery point and a copy of the issue document is signed as POD.
- The proof of delivery transaction is entered by using conversation code N615.
- Conversation code N812 displays the completed repair action.
- Dispose of old tires according to existing directives and procedures. Follow the procedures of FASOINST 13490.3 for disposition of repairable aircraft tires. Consumable tires are turned-in to supply for shipment to DRMO. Repairable tires that can be recapped are turned in to supply system as F condition asset. Repairable tires that cannot be recapped or are damaged beyond repair are assigned H condition code for turn-into DRMO.

The next step of processing is performed when the repair cycle is completed and the wheel assembly is confirmed RFI or BCM by the IMA.

If the wheel assembly is BCM, the following procedures will apply:

Upon receipt of the NRFI wheel from IMA, determine if the wheel is stock or customer asset. If wheel is stock asset, conversation code N621 transaction will decrease the DIFM counter and increase the due counter. The system assigns the stock number to be replenished and the FGC is displayed in conversation code N671 screen. Conversation code N669 will display all outstanding DDSNs for the NIIN. The DD Form 1348-1 retrograde shipping document will be printed.

If the wheel assembly is a customer's asset (EXREP), processing the transaction in conversation code N621 will update the requisition LSC to REFER. The transaction will decrease the DIFM counter. The DD Form 1348-1 shipping document will be printed for the retrograde.

If the wheel assembly is RFI, the following procedures apply:

Upon receipt of the RFI wheel from IMA, determine if there are outstanding requirements. If there are no outstanding requirements, processing conversation code N621 transaction will decrease the DIFM counter and increase the RFI counter. The system will generate a stow hardcopy notice if the wheel is being returned to stock.

If the DIFM management code of the RFI wheel being processed is ER, the system will print a DD Form 1348-1 issue document.

If the DIFM management code is SO, the Y in override issue may be selected at conversation code N621 screen display, When selected, conversation code N668 status inquiry will have an LSC of ISSIP. The transaction will decrease the DIFM counter and adjust the ER counter to SO counter. The DD Form 1348-1 issue document will be printed and the supply interface records created. Upon receipt of signed POD, enter the quantity for proof of delivery by using conversation code N615. (Upon completion of transaction, conversation code N668 status inquiry should read LSC of COMPL.)

SERIAL NUMBER CONTROLLED REPAIRABLE ITEMS.— Repairable items that require serial number control are established by using conversation code N666. It is accomplished by entering Y on SERNO CONTROLLED IND and UPDATE SERNO CNTRL IND block. Use conversation code N662 to update the RFI repairable stock data.

The process starts when the customer submits requests for SERNO controlled repairable item through conversation code N601. Conversation code N670 inquiry is used to view the ISSER quantity of a particular FGC, NIIN, or CAGE/PN in RFI status. After the system processes the requisition, conversation code N668 status inquiry should have LSC of ISSER.

— System generates DD Form 1348-1 issue document.

— System generates EXREP turn-in notice if applicable.

— System generates critical item notice when the item reaches critical level.

— Conversation code N809 Mail Box Message shows the serial number issued by listing the related DDSN, NUN, and other information.

The issue transaction will decrease the RFI quantity counter, increase the SOIOU quantity, and set the ISSER quantity counter. The following procedures apply:

Use conversation code N629 to enter the DDSN and SERNO of the item being processed for issue to the customer. (Note: Processing conversation code N629 will decrease the ISSER quantity counter and clear the N809 MAILBOX MESSAGE.)

After delivery of material to the customer, enter the quantity issued for proof of delivery by using conversation code N615. (After completing the transaction in conversation code N615, conversation code N668 status inquiry should display an LSC of COMPL.)

WORK REQUEST OF SUPPLY OFFICER'S ASSET.— All repairable assets in stock must have a condition tag or label. If the condition of an item is not known, the item may be submitted on work request to the IMA to determine its condition. (Note: Before processing the item for a work request, verify the PN, NIIN, and SERNO.)

The following procedures apply:

- Use conversation code N222 ICRL inquiry to display capability code of the IMA on an item. Print the information on the screen for use in conversation code N245 processing.
- Transfer the asset to suspense by using conversation code N622. Enter an X in SUSPENSE and WORK REQUEST blocks.
  — After completing conversation code N622 transaction, the conversation code N673 inquiry should show the component in suspense status and management code MA.
  — The completed transaction in conversation code N622 will decrease the RFI quantity and increase the suspense quantity.
- You should then process transaction in conversation code N245 by using information from conversation code N222 screen printout, and
- Attach the screen printout to the component and forward them to maintenance for test and check.
  — Maintenance performs repair actions to the component.
  — Conversation code N812 is a Completed Repair Action message from maintenance. It displays a completed MCN for review by supply.
- Recess DIFM return by using conversation code N621 or N623.
  — If the item is RFI, processing of transaction in conversation code N621 will decrease the DIFM quantity and increase the RFI quantity.
  — If the item is NRFI, process the transaction in conversation code. N623. Enter an X at INDUCT/REINDUCT option for induction to IMA via conversation code N271 by PC/AMSU with new supply JCN.
- After inducting the item back to the repair cycle, the IMA can perform the required maintenance procedures to repair the item.

CLEAR LSC-OFFMP.— The local status code OFFMP (offline manual processing) is assigned when the item requisitioned is part of a matched set, is initial outfitting, is missing, or is a remain-in-place (RIP) component. Conversation code N686 is used to display all requisitions with LSC of OFFMP. The following text describes the procedure for each condition.

For remain-in-place condition, the following procedures apply:

- The local status code should be updated to REFER by using conversation code N610. The local status code REFER should also be displayed at conversation code N668 inquiry.
  — The conversation code N610 transaction will increase the ERIOU counter and create interface records.

For a nonexchange advice code, the following procedures apply:

- Requisitions for repairable items that do not have a turn-in are assigned with a nonexchange advice

code. The requisition may bean initial outfitting or replacement for a surveyed item.

- Requisitions with a nonexchange advice code will be assigned an LSC of REFER if material is NOT available in stock or issue of the item is NOT approved Assign LSC of REFER to the requisition by using conversation code N610.

  — The LSC at conversation code N668 inquiry should also read REFER.

  — Interface records will be created.

- If the requisition is going to be issued select the issue option in conversation code N610.

  — When issue is selected in conversation code N610, supply interface records will be created.

  — Conversation code N668 status inquiry should read ISSIP or ISSER.

  — The system prints the DD Form 1348-1 issue document.

  — The transaction will decrease the RFI counter and increase the due counter.

- After the receipt of POD, enter the quantity for proof of delivery by using conversation code N615. (Note: After processing the requisition in conversation code N615, the status of the requisition in conversation code N668 inquiry should read COMPL.)

ITEM IS PART OF A MATCHED SET.— If components are matched sets, the following procedures apply:

- If the requisitioned item is not matched, update the material requirement by using conversation code N604. Update the local status code by using conversation code N610.
- If EXREP is selected in conversation code N610 processing, it will increase the ERIOU counter.
- The system prints the EXREP turn-in notice.
- Conversation code N668 status inquiry should read EXREP.
- The item is inducted to IMA as EXREP,
- If ISSUE is selected in conversation code N610 processing, the RFI counter will decrease and the DIFM counter will increase.
- Enter the quantity for proof of delivery by using conversation code N615. (Note: Conversation code N668 status inquiry should read COMPL.)

MATCHED SET REQUISITION PROCESSING.— Requisitions will be submitted by the customer through conversation code N601 (O-level) or N249 (I-level). A separate DDSN and JCN will be submitted for each required NIIN.

- Conversation code N668 status inquiry will have LSC of OFFMP.
- The system will print the DD Form 1348-1 issue document at the designated printer.
- The system prints a critical item notice when RFl quantity reaches critical level.
- The DDSN listed in conversation code N686 inquiry have an LSC of OFFMP. Clear the OFFMP status by using the procedures described in previous paragraphs.
- Clear the matched set requisitions by using conversation code N639.

MATCHED SET ESTABLISHMENT.— Some repairable items in stock are issued as matched sets. The requisitions submitted by customers are processed as a set and must not be separated. Properly identify the NIIN of the items that need to be matched. The following procedures apply

- Enter the number of FIHNs that make up a set on the indicator column in conversation code N667,

Note: The Matched Set Indicator block in conversation code N667 display screen identifies the items considered part of the matched set, Each member of the matched set should have the same number assigned. The value of the Matched Set Indicator must be 2 through 5 or a blank space.

- The system updates the repairable NIIN data of the item.

Local Repair Cycle Asset (LRCA) Storage Unit

The items included in the LRCA (formerly known as rotatable pool) is part of the activity's fixed allowance assets. They are generally stored in a location that provides fast processing between maintenance and supply. The LRCA concept allows intensive management of selected repairable. The major criteria for managing a repairable in the LRCA are supply support improvement, local demand, and space

availability. However, inclusion of an item in the LRCA storage unit should not be constrained by a specific usage rate.

The LRCA storage unit is responsible for the receipt, storage, issue, and accountability of repairable assets under the control of ASD/SSC. The supply department is responsible for providing a list of items in the LRCA storage unit to the supported units. The listing's format include the NSN, CAGE code, work unit code (WUC), type equipment code (TEC), family group code (FGC), nomenclature, and LRCA item number. The information in the list is arranged according to the activity's needs.

The activity's fixed allowances for repairable items are determined by turn-around time (TAT) and monthly usage. The average TAT of an item usually stabilizes over a long period of time. During this time, demands for the item are filled as they occur. If the TAT becomes longer because of some unusual reason, the availability of RFI assets are affected.

The TAT for repairable items are monitored by the item managers. When used in the fixed allowance computation the TAT should be constrained as follows:

Removal to IMA	**1 day**
Scheduling time	**3 days**
AWP time	**20 days**
Actual repair time	**8 days**

Note: The total average TAT is limited to a maximum of 20 days for each NIIN in each case. Constraints are applied to each element before totaling.

The fixed allowance for aviation items of an activity is developed after negotiations between the operating sites and the Naval Inventory Control Point-Philadelphia (NAVICP-Philadelphia). After the establishment of the activity's fixed allowance, only redistribution orders from NAVICP-Philadelphia may be processed to fill high priority requisitions from other activities. When needed an activity can request a change to the authorized allowance quantity. The allowance change request (NAVSUP Form 1375) is prepared and submittd to the NAVICP-Philadelphia. A copy of the allowance change quest(s) is forwarded to the applicable aircraft controlling custodian (ACC)/type commander (TYCOM). Refer to FASOINST 4441.15, FASOINST 4441.16, or FASOINST 4441.20 for the specific allowance process applicable to the activity.

The following NALCOMIS procedures are used to establish selected repairable items in the LRCA storage unit (formerly known as rotatable pool):

- As a first step, the CCS identifies the selected repairable items that are established in the LRCA storage unit.
- Conversation code N667 is used to update the data of the repairable NIIN. This conversation code allows the user to update the pool type of a particular NIIN.

Note: Activities assign the pool type code to particular NIINs to enhance management of repairable items. The recommended pool type code is used to identify selected LRCA items composed of alphabetic characters. The numeric characters are used to identify the LRCA items in deep stock (for example, A-purpose stock).

- After processing the conversation code N667, the system updates the FGC data of the item.
- Conversation code N645 is used to submit a request to print the freed allowance analysis report.
- The stock status of RFI repairable items can be verified through conversation code N670.
- As the last, check the status and summary of all stock records designated as LRCA (pool) items through conversation code N627.

Refer to the NALCOMIS user's manual for the list of conversation codes used by the LRCA.

Document Control Unit (DCU)

The DCU is responsible for maintaining control of repairable items and associated documents received from OMAs or IMAs. The DCU performs the following functions:

- Reviews and monitors the IOU, EXREP, and DIFM reports
- Reviews NALCOMIS mailboxes of completed repair actions
- Receives repairable items from maintenance
- Processes DIFM return transactions
- Recesses items for inter-IMA repair (repair and return program)

The conversation males used by DCU as primary conversations are N620, N621, N641, N643, N668, N669, N675, N676, N684, N691, N812, and N813,

The conversation codes used by DCU as supporting conversations are N601, N614, N667, N677, N678, N679, and N698.

Awaiting Parts (AWP) Unit

The AWP unit is responsible for receiving, storing, and controlling all repairable items in an AWP status from IMA. The AWP storage area should be located near the general area of the production control division of the IMA.

When the required repair parts are not available, the maintenance personnel will deliver the AWP component, hardwares, and associated documents to the AWP holding area. The AWP component is delivered to the AWP holding area within 24 hours from the time the requisition is submitted. This includes cases when the supply status is not received by the work center within 24 hours.

The AWP unit is responsible for the following tasks:

- To establish holding or staging areas for all AWP components.
- To maintain requisition files and registers necessary to monitor, follow-up, expedite, and reconcile material demands.
- To receive bits and piece material and identify them to the failed component. Reinduct the AWP component back to IMA when all the required bits and piece material are received.
- To review and submit follow-ups for outstanding requisitions.
- To establish procedures to ensure unsatisfactory LRCA AWP situations are made known to higher authority for assistance.
- To make recommendations for controlled cannibalization to the IMA.
- To establish procedures to BCM components to the next level of repair when appropriate.
- To establish local rescreen procedures to satisfy AWP requirements.
- To perform weekly reviews to maintain accurate inventory and requisition records. A standard of no less than 98 percent accuracy is necessary for effective AWP management.

Process components in AWP as follows:

- Use conversation code N680 to verify the job status of an MCN. Ensure the MCN has outstanding material requirements.
- Receive the components into AWP by using conversation code N644. (See the following list.)
  - — At least one material requirement for a repair part must be outstanding for the AWP component being processed.
  - — Conversation code N644 will assign the same AWP location as the like item already in AWP status.
  - — The AWP quantity of the same NIIN record will increase.
  - — The system will generate the HIGH AWP notice if the percent AWP of the fixed allowance quantity (FAQ) exceeds the AWP PERCENT set on the FGC record.
- Update the AWP location of an item by using conversation code N649.
- Use conversation code N648 to transpose repair parts from one AWP component to another component. This action is also known as cannibalization. (See the following list.)
  - — This transaction updates the FAILED RECORDS on the MAF to show the transpose of DDSNs.
  - — Updates the requisition records to show the transpose of the MCNs.
  - — Generates the NO REQUISITIONS OUTSTANDING NOTICE if the transpose action completes the last outstanding requisition of the MAF.
  - — Generates the ADD ALTERNATE NIIN NOTICE if transpose is processed for NSNs that are not 100 percent interchangeable on the system.
- Use conversation code N608 to reorder I-level direct support (MAF related) material that has been canceled or did not fill the requirement.
  - — A new DDSN and LSC will be assigned by the system. If the previous LSC was

REFER, the new DDSN will also be assigned an LSC of REFER.

— Creates a requisition record.

— Prints DD Form 1348-1 at designated location except those requisitions with LSC of refer assigned.

- Process POD for all bits and piece parts received before releasing the components from the AWP locker. Use conversation code N615 to process receipts.
  - — Prints the NO REQUISITIONS OUTSTANDING NOTICE if the receipt is the last item required for the AWP component.
  - — Prints the AWP REPAIR PART LOCATOR NOTICE for the component in AWP.
  - — Prints the AWP SHORTAGE NOTICE if the quantity received does not satisfy the requirement completely.
- If all the material requirements are filled, release the component from the AWP locker back to repair cycle by using conversation code N646.
  - — This transaction updates the MAF record with the job status of WB (in transit from AWP).
  - — The transaction decreases the AWP count.
  - — The transaction prints the AWP MOVEMENT NOTICE to be attached to the material.

The AWP recovery processing is performed as follows:

- Verify the CAGE/PN of the item by using conversation code N679/N203 cross-reference inquiry. (If the CAGE/PN is not in the database, pass the requirement to the technical edit team for loading to the computer.)
- The production control (PC) division of the IMA will load MAF data (level 2 only) through conversation code N282.
- PC will print and forward the copy of conversation code N217 screen display to AWP.
- AWP verifies data in blocks H-Z of the conversation code N217 screen display against conversation code N832 MAILBOX MESSAGE.
- Post the applicable contingency code by using conversation cede N605.
  - — Conversation code N605 transaction will add I-Level requisition to the database.
  - — The transaction creates supply interface records.
  - — Conversation code N668 status inquiry should display the assigned status.
- Process remeipt of the component into AWP by using conversation code N644.
- Stamp and forward screen display printouts of conversation codes N668 and N217 to CCS for filing.
  - — The work center cannot order repair parts for a component in a WQ job status. All outstanding bits and piece parts must be received and the AWP must release that component using conversation code N646 to update the job status to WB to order another part.
  - — A message INVALID LSC will appear when processing a DDSN in conversation code N615 and the DDSN is not in the database or the ROB processing in conversation code N613 has not been completed.
  - — Conversation code N680 displays all repair parts on order against a MAF/JCN.
  - — Use conversation code N608 to reorder repairable items that were canceled by the supply system without creating another IOU.
  - — Work center can order quantity that is more than the quantity required to repair a component. However, when the quantity ordered exceeds the value set in conversation code N020, the LSC assigned will be OFVAL.
  - — Work centers cannot order bits and piece parts if the job status is WT. The job status must be WS or WP to be able to order parts.
  - — An MCN/JCN in WQ job status can be released when documenting BCM action, repair because of cannibalization, part removal for cannibalization action, and

reinduct component when the last bits and piece parts requirement is received.

— The report used for conducting AWP validation by location is the *AWP Component Overage Report.* The printed report is requested by using conversation Code N695.

The weekly validation of AWP components against the related outstanding requisitions should maintain accurate records. The goal for AWP accuracy is 98 percent. When conducting the validation, record the results in the following categories:

1. One or more valid outstanding requisitions exists for each AWP component. Submit requisitions when a discrepancy is noted.
2. A valid AWP component exists for each outstanding requisition. Cancel requisitions when a discrepancy is noted.
3. The component is in the correct location as reflected in the records. Use conversation code N649 to update the location.

Supply Screening Unit (SW)

The SSU is responsible for processing repairable items returned from the IMA. The unit also performs carcass tracking functions of items that are confirmed BCM and shipped to the DOP or the hub.

Supply screening unit is responsible for the following:

- To receive repairable items and associated logs, records, and documents from the IMA.
- To verify the condition of the component by using the associated tags, labels, and documents.
- To forward RFI repairable items to the designated storage areas or pick-up points.
- To ensure NRFI repairable items are shipped according to the MRIL.
- To process transactions involving material exhibits for engineering investigation (EI) or quality deficiency report (QDR).
- To ensure that shipping documents are correct and all the required markings such as EI or QDR are annotated.
- To obtain retrograde shipment proof of delivery copy signed by shipping personnel.
- To process documents for the repair and return program.

The primary conversation codes used by SSU are N618 and N667. The supporting conversation codes used by SSU are N659, N660, N668, N675, N677, N679.

CONTINGENCY OPERATIONS

The NALCOMIS contingency operations are defined as the procedures that must be performed after the computer system downtime. When the computer is down or inoperable, manual procedures are used to continue providing supply support to maintenance. These manual procedures are established by the activity. When the computer system operations are restored, the transactions that were processed manually are backfitted to NALCOMIS. The backfit/recovery procedures are performed immediately after the computer system is restored.

Only authorized personnel are allowed to perform the backfit/recovery procedures into NALCOMIS. The conversation codes used for backfit/recovery procedures are N601, N271, N282, N605, and N602. Refer to the NALCOMIS Contingency Manual for more information about the backfit/recovery procedures.

MANAGEMENT REPORTS

The NALCOMIS is capable of producing reports for supply and maintenance managers and supervisors. The hardcopy batch reports may be requested by a user or by an operator.

The user requested reports are submitted via an on-line conversation in the computer terminal. The request is automatically sent to the batch process report queue in the system. The request will be reviewed by authorized personnel and release the report to be printed.

Operator requested reports are those that are regularly recurring and are provided without the request from the user. In the operator initial batch environment, jobs are submitted by the operator. The batch jobs are scheduled to run at a lower priority than the jobs running in the on-line environment. Most of the batch jobs that are resource intensive are scheduled at off-peak hours or scheduled downtime periods.

The reports serve as management tools for review so that action can be taken to correct, adjust, or update

data in the computer. Each report provides specific information about the records such as additions, deletions, changes, updates, or completions. Specific reports are also produced when certain computer data are imbalance and require a corrective action. Hardcopy notices are produced to inform personnel of other system actions after the transactions. The supply and maintenance reports are listed and illustrated in the NALCOMIS *Data Requirements Document (RD).*

SUMMARY

In this chapter, we discussed the computer system and its various uses, The computer has gained popularity as the top labor-saving device and is widely used throughout the Navy. As the supervisor, you must obtain the knowledge and skills needed to oprrate and work with computers to perform different tasks. We also discussed some acronyms and terms used with computer operations. Memorizing these terms and acronyms commonly used in NALCOMIS operations will facilitate faster processing of transactions.

The supply system procedures use computer systems to perform various functions. The AK uses the NALCOMIS procedures to perform supply support to aviation maintenance. The NALCOMIS can process various functions required by the Naval Aviation Maintenance Program, OPNAVINST 4790.2. However, some supply functions are processed by another computer system that is interfaced with NALCOMIS. These computer systems are also known as host computers such the SUADPS-RT, UADPS-SP, and so forth.

The NALCOMIS is designed as an on-line and real-time source data entry processing system. This means that the majority of the data collected by the system is obtained from the supply and maintenance personnel entering the data on terminals. The NALCOMIS provides a standard data entry screen display for collecting information. It also provides standard update/delete screen display for modifying or deleting information that was previous] y entered.

We discussed the different conversation codes used for processing transactions into NALCOMIS. Only authorized personnel are allowed to enter specific data in the system. The data collected by the system is validated for accuracy, completeness, and logical relationships with related information. The data entered is revealed via output reports or notices for action or information. The NALCOMIS produces different reports and notices. Different data entries or transactions are revealed on different specific NALCOMIS reports. The NALCOMIS reports are identified by report identification symbols and titles. The NALCOMIS Data Requirements Document, RD-001B, contains a complete listing of these reports.

APPENDIX I

GLOSSARY

ACCOUNTING PERIOD— A definite period of time, the beginning of which is freed either by law or by administrative action, for assembling, recording, or reporting accounting data.

ACTIVITY ADDRESS CODE— six-character code consisting of the Service code (N, R, or V) and the Unit Identification Code (UIC), which identifies a specific activity and translates to a clear text address.

ALLOWANCE CHANGE REQUEST-FIXED (ACR-F)— A document submitted to NAVICP-Philadelphia by an operating site requesting a change to an authorized allowance.

AERONAUTICAL EQUIPMENT— Aircraft support equipment, aviator's equipment, and other similar devices.

AERONAUTICAL MATERIAL— All the material used in the operation and maintenance of aircraft.

AGED UNFILLED ORDER— An unfilled order submitted by an operational target holder to the Defense Accounting Office-Cleveland held in file for over 120 days neither matched with a corresponding expenditure document, nor canceled.

AIRCRAFT CONTROLLING CUSTODIAN— Commander, Naval Air Force, U.S. Atlantic; Commander, Naval Air Force, U.S. Pacific Fleet Chief of Naval Air Training Commander, Naval Air Reserve Force; and Commander, Naval Air Systems Command. These are the air commands exercising administrative control of assignment, employment, and logistics support of certain aircraft and aircraft engines as specified by the CNO.

AIRCRAFT EQUIPMENT CONFIGURATION LIST— A listing of the avionics components installed in aircraft, cross-referenced to applicable allowance requirements registers, that contains the support requirements for outfitting purposes.

ALLOWANCE LIST— A list of documents specifically tailored to an activity that identifies items/parts needed for support of maintenance or supply missions.

ALLOWANCE ITEMS— Items that appear in authorized allowance documents, such as COSAL, SHORCAL, and AVCAL with an allowed quantity.

ALLOWED ITEMS— Items, both allowance and nonallowance, that qualify for local stock or items authorized to be procured as DTO material for immediate or planned use.

APPOINTING AUTHORITY— An individual designated in writing by the approving authority. The appointing authority appoints financial liability, if required, and recommends actions to the responsible officer.

APPROVING AUTHORITY— The individual who makes determination to relieve involved individuals from responsibility and/or accountability or to approve assessment of financial liability. The approving authority may act as the appointing authority or designate an appointing authority in writing. The approving authority is the commanding officer unless specified by other directives.

AUTOMATED ACTIVITIES— Activities equipped with an Electronic Digital Computer (EDC) system for processing supply and accounting documents and records.

AVIATION CONSOLIDATED ALLOWANCE LIST— A consolidated listing of components, repair parts, and consumable items required for a mobile activity (ashore or afloat) to perform aviation organizational and intermediate level maintenance in support of assigned aircraft.

AVIATION CAPABLE SHIP— A nonaviation ship that can be used as an aviation operating platform.

BAR CODE— A method of labeling material providing for automated data collection for processing material receipts, issue transactions, and inventory of stowed materials. The labels consist of a series of vertical lines and spaces providing coded information. These codes are read and interpreted by special scanning equipment referred to as Logistics Applications of Automated Marking and Reading Symbols (LOGMARS).

BLANKET PURCHASE AGREEMENT— A simplified procedure of establishing charge accounts with qualified sources of supply to cover anticipated small purchases of the same general category.

BROAD ARROW— A program to identify an urgently required test bench item. This program is outlined in NAVSUPINST 5442.2.

CANNIBALIZE— Removal of serviceable parts from one aircraft or equipment for installation to another.

CARCASS VALUE— The value of the repairable NRFI carcass. This value is equal to the difference between the standard price and net price. Example: standard price of $10,000 less net price of $3,000 equals carcass value of $7,000.

CARCASS— A not ready for issue (NRFI) repairable component that requires turn-in to a repair facility or designated overhaul point.

CATALOG OF NAVY TRAINING COURSES (CANTRAC)— Contains information on schools and courses under the purview of the Chief of Naval Education and Training Amphibious Forces, Atlantic and Pacific; and other training commands.

CAUSATIVE RESEARCH— An in-depth investigation of specific physical inventory discrepancies to determine the cause, so corrective action can be taken. This consists of a complete review of all transactions, locations updates, previous adjustments, and suspended or erroneous documentation within the allowable look-back period (normally 365 days).

COGNIZANT FIELD ACTIVITY— An activity delegated the authority and assigned the responsibility to perform specified engineering functions.

CONSUMER LEVEL OF INVENTORY— An inventory, regardless of funding source, usually of limited range and depth, held only by the final element in an established supply distribution system for the sole purpose of internal consumption.

CONTRACTNG OFFICER— The person with the authority to enter into (purchase), administer, or terminate contracts and make related determinations and findings.

CONTRACTOR FURNISHED EQUIPMENT— Items manufactured or purchased by the contractor for inclusion in or support of an aeronautical system.

COMBAT LOGISTICS FORCE (CLF)— Ships assigned for the purpose of relieving deployed fleet units from direct dependency on shore bases for supply support. To accomplish this, the CLF provides items of known militry essentiality and those in greatest demand by deployed fleet units,

CONSOLIDATED REMAIN-IN-PLACE LIST— A listing that identifies those intermediate-level (I-level) and depot-level (D-level) repairable that are authorized to remain in an aircraft until a serviceable item is received from supply.

CONTROLLED EQUIPAGE— Items of equipage that require special management control because the material is designated as control by fleet/type commander or commanding officer, the material is essential for the protection of life, or it is relatively valuable and easily converted to personal use.

CONTROLLING CUSTODIAN— Air commands and COMNAVAIRSYSCOM fleet support units exercising administrative control of assignment, employment, and logistics support of certain aircraft and engines, as specified by the CNO.

CONVERSATION CODE— An alpha/numeric code that identifies a specific procedure to be performed in NALCOMIS.

COST CODE— A 12-position number to classify accounting transactions by providing the 8-position Julian date and serial number from a requisition and a 2-position fund code. The cost code is always preceded by 2 zeros on accounting data entries to make up the 12 positions.

CRITICAL ITEM— An item essential to the operational readiness of a ship or aircraft and in short supply in system stocks (or expected to be) for an extended period of time.

CUSTODY— The physical possession of material and the assumption of responsibility against its improper usage and loss.

DATA SERVICES FACILITY (DSF)— The activity that converts document data into machine records and uses these records to produce machine reports and listings.

DEFENSE ACCOUNTING OFFICE-CLEVELAND (DAO-CL)— The activity designated to perform operating budget accounting for the COMNAVAIRLANT, COMNAVAIRPAC, and respective type commanders, including associated accounting and reporting for ships, staffs, designated shore activities, aviation squadrons, and other assigned commands and units.

DEFENSE BUSINESS OPERATIONS FUND (DBOF)— A working capital fund (revolving fund) established with the goal of recovering enough money from sales to replace sold material.

DESIGNATED OVERHAUL POINT (DOP)— A depot-level rework facility assigned the technical and overhaul responsibility for designated weapons systems.

DESIGNATED REPAIR POINT (DRP)— A depot level rework facility assigned a technical and repair responsibility for designated weapons systems.

DESIGNATED SUPPORT POINT (DSP)— A Supply activity, such as a fleet and industrial supply center, assigned to provide supply support to a DOP.

DUE-IN FROM MAINTENANCE (DIFM)— Depot -level repairable (DLR) assets inducted into the aircraft intermediate maintenance department (AIMD) and expected to be placed in stock upon completion of repair.

ENDURANCE PERIOD— The length of time (in months) a consumer level inventory is required to support an operating site's mission without resupply.

EQUIPAGE— Items requiring management control afloat because of high unit cost, vulnerability to pilferage, or essentiality to the ship's mission. Chargeable items of equipage are identified in procurement, receipt, and other documents by the letter “E” in the second position of the applicable fund code.

FAMILY GROUP— A set of repairable interchangeable in performing a series of functions. The family head can perform all the functions associated with the group. The individual family members can perform some, but not all, of the functions of the family head.

FEDERAL LOGISTICS (FEDLOG) DATA— An interactive query system using a variety of types of search data to significantly reduce the time required to access all information necessary to identify and order supplies.

FINANCIAL LIABILITY— The statutory obligation of an individual to reimburse the government for lost, damaged, or destroyed government property as a result of negligence or abuse.

FIXED ALLOWANCE— An authorized stock level for each repairable item or family approved for stockage on ships and at shore stations. The authorized level will be regarded as the maximum level to be maintained and may not be changed without approval by the inventory control point.

FLEET CONTROLLED MATERIAL— Material under the requisitioning, rationing, and issue control of the aviation type commanders. A list of fleet controlled material is published by the

Aviation Material Offices in Norfolk and San Diego,

FREQUENCY OF DEMAND— The number of times an item is requested during a specific period of time regardless of the quantity requested or issued.

GLOBAL TRANSPORTATION NETWORK (GTN) SYSTEM— A command and control system that provides the U.S. Transportation Command and its components with integrated and automated support to plan, provide, and control common user airlift, surface lift, and terminal services that deploy and sustain the DOD forces on a global basis during peacetime and war.

GOVERNMENT BILL OF LADING— A transportation contract between a commercial carrier and the U.S. Government. The Standard Form 1103 provides delivery instructions to the carrier, while the Standard Form 1103B serves as a receipt document for the consignee.

GOVERNMENT FURNISHED EQUIPMENT (GFE)— Equipment selected and furnished by the government to a contractor or government activity for installation in, use with, or in support of the aeronautical system during production, conversion, or modification.

HAZARDOUS MATERIALS INFORMATION SYSTEM— A system that provides accurate, complete information to both fleet and shore personnel on the procurement, use, transportation, handling, storage, and disposal of hazardous materials.

HUB— A Navy-operated facility that processes DLR and provides verification of drawing/part number to NSN, corrects erroneous documents, makes the MRIL inquiry to determine the DOP/DSP, and to cut off carcass tracking. Also prepares and submits Reports of Discrepancy (ROD)/Transportation Discrepancy Reports to cut off carcass tracking. Repacks material for shipment.

ILLUSTRATED PARTS BREAKDDOWN— A list prepared by the manufacturer for each model aircraft, engine accessory, electronic equipment, or support equipment (SE).

IMPREST FUND— A simple, economic purchase method used for small purchases. The imprest fund is a cash fund for which small payments are made at the time of purchase from a commercial vendor.

INTEGRATED LOGISTICS OVERHAUL (ILO)— A concerted effort of assigned shipboard personnel, under the supervision of an ashore-based ILO team, to refine shipboard inventories of repair parts, update related stock records consistent with authorized allowances or other stockage objective criteria, and identify material or excess stock.

INTERCHANGEABLE ITEM— A nonequivalent item used in place of another item in all applications.

INTERMEDIATE LEVEL OF INVENTORY— An inventory, regardless of funding source, required between the consumer and wholesale levels of inventory for support of a defined geographic area or for tailored support of specific consumer organizations or activities.

INTERMEDIATE MAINTENANCE ACTIVITY— Any aviation activity (ship or station) authorized to provide intermediate level maintenance support. It consists of the intermediate maintenance department, the supply department, the weapons department, the public works department, and the engineering department.

INVENTORY CONTROL POINTS— The primary support activities of the Naval Supply Systems Command, bureaus, systems commands, and offices exercising inventory control over specific categories of material.

LEAD TIME— A composite of production, administrative, spares positioning, and shipping time.

LOGISTICS APPLICATIONS OF AUTOMATED MARKING AND READING SYMBOLS— A system designed to improve the accuracy and productivity of the receipt and stowage process. It is a system used by SUADPS-RT activities to record incoming transactions by reading bar-coded symbols.

LOOK-BACK PERIOD— The period of time in the past history of the item being researched during

which transactions may be considered relevant for processing or correction.

MAINTENANCE CODE— Two-position codes used in Source, Maintenance and Recoverability (SM&R) codes, with the first position indicating the lowest maintenance level authorized to remove, replace, and use the support item. The second position indicates the maintenance level with the capability to perform complete repair.

MATCHED SET— A group of two or more separate components functioning together in a single system. These components are normally removed, repaired, checked, adjusted, calibrated, and installed together.

MATERIAL OBLIGATION— Unfilled quantity of a requisition that is not immediately available for issue, but is recorded by the inventory manager or stock point as a commitment for future issue.

MATERIAL OBLIGATION VALIDATION (MOV)— A system used to verify the unfilled quantity of a requisition that is not immediately available for issue to the requisitioner, but is recorded as a commitment against existing or prospective stock due or direct deliveries from vendors.

MILITARY ORDINARY MAIL (MOM)— A special procedure approved by the U.S. Postal Service for providing air transportation of official standard mail "B" at a rate considerably cheaper than for priority mail. It may also be used for official periodicals and standard mail "4" if considered essential to timely delivery.

MISSING, LOST, STOLEN, OR RECOVERED (M-L-S-R) Government Property-A program that requires the reporting of missing, lost, stolen, or recovered government material.

MISSION ESSENTIAL SUBSYSTEM MATRICES (MESM)— The list of equipment system/subsystem published in OPNAVINST 5442.4 that must be on board and in working order before an aircraft can qualify as mission ready.

NATIONAL CODIFICATION BUREAU (NCB) CODE— A two-digit code included in the fifth and sixth digits of a national stock number (NSN) or a NATO stock number. In an NSN, it identifies the United States as the country that assigned the stock number. In a NATO stock number, it identifies the NATO country that assigned the stock number or indicates that the stock number is used by two or more countries.

NAVAL AVIATION LOGISTICS COMMAND MANAGEMENT INFORMATION SYSTEM (NALCOMIS)— An online, interactive computer system designed to collect, store, process, and distribute data in a timely and accurate manner.

NAVAL INVENTORY CONTROL POINT (NAVICP)— This includes the NAVICP Philadelphia (formerly ASO) and NAVICP Mechanicsburg (formerly SPCC).

NAVY ITEM CONTROL NUMBER (NICN)— Items of material not included in the Federal Catalog System, but stocked or monitored in the Navy supply system. NICNs are 13-character identification numbers assigned by NAVICPs or other Navy item managers for permanent or temporary control of selected non-NSN items under their cognizance.

NET UNIT PRICE— Price charged for a DLR when the carcass is turned in. Net unit price includes repair cost, replacement cost when item is BCM, and a surcharge.

NEXT HIGHER ASSEMBLY— Refers to the next higher assembly, on or with which, an item is used as a subassembly, part, attachment, or accessory.

NODE— A DLR collection, consolidation, and transshipment point (does not perform validation of part number/drawing to NSN). It may be operated by a freight agent (civilian contractor) or government personnel.

NON-TRANSACTION ITEM REPORTING (TIR) ACTIVITY— An activity that makes monthly or quarterly asset summary reports to the NAVICP rather than daily transaction reports.

OPERATING SITE— Any activity, either afloat or ashore, authorized to stock repairable items in a retail level (consumer or intermediate) inventory.

OPERATING TARGET (OPTAR)— An estimate of the money required by an operating ship, staff,

squadron, or other unit to perform the task and function assigned.

OPERATIONAL SUPPORT INVENTORY (OSI)— The range and depth of material required to support a planned aircraft program at a given site. It consists of a fixed allowance for field level repairable, depot level repairable, and an operating level of stock for consumables.

ORDER AND SHIPPING TIME (O&ST)— The time between the submittal of requisition to the time of receipt of material. The O&ST is applicable to material only within the supply system.

OTHER SUPPLY OFFICER (OSO) TRANSFER— A transfer of Defense Business Operations Fund material between two accountable officers.

PRINCIPAL ITEM-A final combination of end products, components, parts, or material that is ready for its intended use. For example, ship, aircraft, or truck.

PROCUREMENT QUALITY ASSURANCE— The act of a qualified technician in inspecting and certifying material acceptability for shipments received directly from a contractor. The inspection requires the technician to verify the original purchase contract specifications against the specifications of the material received and documented on the DD Form 250, Material Inspection and Receiving Report.

PROVISIONING— The process of technical planning necessary to establish the individual item support;establishing minimum levels responsible for repair; identifying support equipment requirements, handbooks, manuals, and maintenance publications; determining the basic factory and field training requirements; and providing for the establishment of inventory management records. This process takes place when new equipment is purchased.

QUALITY DEFICIENCY REPORT (QDR)— A report used to report quality deficient material to activities responsible for the design, development, purchasing, supply, maintenance, and contract administration so that the cause of the deficiency can be determined, deficiencies can be corrected, and action to prevent recurrence can be initiated.

RANDOM SAMPLING INVENTORY— A method of determining the current inventory accuracy level whether or not there is a need for a total item count. It is considered to be part of the annual scheduled inventory program and a measure of the stock record accuracy for a segment of material based on the physical count of a specified number of randomly selected items within the segment.

RANGE— The number of different line items stocked. To increase the stock range is to add new line items to stock.

REAL TIME— The posting and processing of transactions as they occur rather than by the batch.

RECONCILLATION— An effort between two or more activities, units, or work centers to bring a common file into agreement.

RECOVERABILITY CODE— The third position of the maintenance code indicating the lowest level authorized to condemn and dispose of an item.

REFERRAL ORDER— An order used between supply stock points, item managers, and other managers in the supply distribution system. Its purpose is to pass requisitions for continued supply action when the initial activity cannot fill the demand.

REPAIRABLE ITEM— A component or item that can be returned to an RFI condition by use of repair parts or by overhaul.

REPLACEMENT ITEM— A different item supplied as a spare or repair part in place of the original part. Replacement items are not necessarily interchangeable with the items they replace.

REPORT OF DISCREPANCY (ROD)— Used to report shipping or packaging discrepancies attributable to the activity that shipped the material. This is reported on Standard Form 364, which is prepared by the receiving activity.

REQUISITION STATUS FILE— A file that contains records used to record a history of incoming and outgoing status changes and other requisition actions, such as cancellations, modifications, and material obligation validations.

REQUISITIONING OBJECTIVE (RO)— The maximum quantity of material to be maintained on hand and on order to sustain current operations.

RESPONSIBLE OFFICER— An individual appointed to exercise custody, care, and safekeeping of property book material. For stores inventory afloat, the division officer, LCPO, or LPO is normally assigned this responsibility.

RESPONSIBILIY CENTER— A command designated to receive and administer an operating budget.

RETROGRADE— Any movement of material that is being returned to supply or maintenance activities for repair.

SECURITY CLEARANCE— A security clearance is a determination made that an individual is eligible for access to classified information up to a specific level.

SHIPBOARD UNIFORM AUTOMATED DATA PROCESSING SYSTEM-REAL TIME (SUADPS-RT)— Refers to the entire group of supply and financial computer programs that use the SNAP I system.

SOFIWARE— A set of programs, documents, procedures, and routines associated with the operation of a computer system.

STANDARD PRICE-The price charged to a customer for a DLR when there is no NRFI turn-in.

STOCKING ACTIVITY— A facility within the supply system that performs receiving, storing, and issuing of materials.

STOWAG— The act of physically storing material properly so it is protected from loss or damage, as well as making sure that it will not cause any hazard to the ship or its crew.

SUBSTITUTE ITEM— An item authorized for one-time use in place of another item, based on a specific application and request. Equivalent or interchangeable items are not included in the term *substitute item*.

SURVEY— A procedure for determining the cause of gain, lost, damaged, or destroyed Navy property, establishing personal responsibility, and documenting necessary inventory adjustments to stock records.

TECHNICAL DIRECTIVE (TD)— A document authorized and issued by COMNAVAIRSYSCOM to provide technical information necessary to properly and systematically inspect or alter the configuration of aircraft, engines, systems, or equipment, subsequent to establishment of each respective baseline configuration. The TD numbers are controlled by the Naval Air Technical Services Facility.

TRANSACTION ITEM REPORTING (TIR)— Reporting a coded description of any supply action affecting the on-hand balance of an item.

TRANSACTION ITEM REPORTING (TIR) ACTMTY— An activity that makes daily transaction reports to the NAVICPs to ensure asset visibility for all centrally managed and stocked material.

WHOLESALE INVENTORY— Material over which the designated wholesale inventory manager (NAVICP Philadelphia/Mechanicsburg) has asset visibility and exercises unrestricted asset control.

APPENDIX II

ACRONYMS

AAA–Authorized Accounting Activity

ACR-F–Allowance Change Request-Fixed

ADCON–Advise All Concerned

ADP–Automated data processing

ADTAKE–Advise Action Taken

AFM–Aviation Fleet Maintenance

AIR–Aircraft Inventory Record

AMC–Air Mobility Command (formerly Military Airlift Command)

AMD–Average monthly demand

AMMRL–Aircraft Maintenance Material Readiness List

ANMCS–Anticipated not mission capable supply

APA–Appropriation Purchase Account

ARR-Allownace Requirements Registers

ASG–Afloat Shopping Guide

ATAC–Advanced Traceability and Control Program

AUOL-Aged Unfilled Order Listing

AVCAI–Aviation Consolidated Allowance List

AVDLR–Aviation Depot Level Repairable

AWM—Awaiting maintenance

AWP–Awaiting parts

BCM–Beyond capability of maintenance

BOR–Budget/OPTAR Report

BOSS–Buy Our Spares Smart

BPA–Blanket purchase agreement

CAGE-Commercial and government entity (code)

CC-Card Column, same as record position (rp)

CD-ROM–Compact Disc-Read Only Memory

CLF–Combat Logistics Force

CNATRA–Chief of Naval Air Training

COD-Carrier Onboard Delivery

COMNAVAIRESFOR–Commander, Naval Air Reserve Force

COMNAVAIRLANT–commander, Naval Air Force, Atlantic

COMNAVAIRPAC–Commander, Naval Air Force, Pacific

COMNAVAIRSYSCOM–Commander, Naval Air Systems Command

CONREP–Connected replenishment

CONUS–Continental United States

COSAL–Coordinated Shipboard Allowance List

CRIPL–Consolidated Remain in Place List

DAAS–Defense Automatic Addressing System

DAO–Defense Accounting Office

DBI–Demand based items

DBOF–Defense Business Operations Fund

DEMIL–Demilitarization

DESC–Defense Electronic Supply Center, Dayton, Ohio

DFAS-CL–Defense Finance and Accounting Service- Cleveland Center

DFSC–Defense Fuel Supply Center, Washington, DC

DIFM–Due-in from maintenance

DISC–Defense Industrial Supply Center, Philadelphia, PA

DLA–Defense Logistics Agency

DLR–Depot-Level Repairable

DLSC–Defense Logistics Service Center, Battle Creek, MI

DOD-Department of Defense

DOP–Designated overhaul point

DRMO-Defense Reutilization and Marketing Office

DRP–Designated Rework Point

DSP–Designated support point

DTG-Date-Time Group

DTO—Direct turnover

DTS–Defense Transportation System

ESD–Estimated shipping date

EXREP–Expeditious repair

F/AD–Force/Activity Designator

FAR–Federal Acquisition Regulation

FASO–Field Aviation Supply Office

FIFO–First in-first out

FILL–Fleet Issue Load List

FIR–Financial Inventory Report

FISC–Fleet and industrial supply center

FLR–Field Level Repairable

FMSO–Fleet Material Support Office

FOUO–For Official Use Only

FY–Fiscal year

FYTD–Fiscal year to date

GBI–Gain by inventory

GBL–Government Bill of Lading

GFE–Government-furnished equipment

GSA-General Services Administration

GTN–Global Transportation Network

HMIS-Hazardous Material Information System

ICRL-Individual Component Repair List

ICSS–Interim Contractor Supply Support

IL-Identification list

ILO–Integrated Logistics Overhaul

IM–Inventory manager

IMA–Intermediate Maintenance Activity

INREP–Inport replenishment

IPB–Illustrated Parts Breakdown

IPD–Issue Priority Designator

JCN–Job Control Number

LAN–Local area network

LBI–Loss by inventory

LRCA–Local Repair Cycle Asset

MAMs–Maintenance Assistance Modules

MC–Mission capable

MDC–Maintenance Data Collection

MDS–Maintenance Data System

MDU–Material Delivery Unit

MHE–Material Handling Equipment

MILSTAMP–Military Standard Transportation and Movement Procedures

MILSTD–Military Standards

MILSTRAP–Military Standard Transaction Reporting and Accounting Procedures

MILSTRIP–Military Standard Requisitioning and Issue Procedures

ML-C–Management List-Consolidated

MOV–Material Obligation Validation

MPD-Movement Priority Designator

MSC–Military Sealift Command

MSD-Material Support Date

MSP-Maintenance Support Package

MTIS-Material turned in to store

MTR-Mandatory Turn-In Repairable

MVO–Money Value Only

NADEP–Naval Aviation Depot

NALCOMIS–Naval Aviation Logistics Command Management Information System

NAMP–Naval Aviation Maintenance Program

NAVAIRSYSCOM–Naval Air Systems Command

NAVCOMPT–Navy Comptroller

NAVICP–Naval inventory control point

NAVMASSO–Navy Management Systems Support office

NAVMTO–Navy Material Transportation Office

NAVSEA–Naval Sea Systems Command

NAVSUPSYSCOM–Naval Supply Systems Command

NC–Not carried

NHA–Next higher assembly

NICN–Navy item control number

NIIN–National item identification number

NIS–Not in stock

NMC–Not mission capable

NMCM–Not mission capable maintenance

NMCS–Not mission capable supply

NRFI–Not ready for issue

NSA–Navy Stock Account

O/H–On hand

O&M,N–Operations and Maintenance, Navy

OL–Operating level

OMA–Organizational Maintenance Activity

OPNAV–Office of the Chief of Naval Operations

OPSITE–Operating site

OPTAR–Operating target

ORG–Organization

OSHA–Occupational Safety and Health Administration

OSI-Operational Support Inventory

OSO–Other supply officer

OST–Order and Shipping Time

P/N–Part number

PEB–Pre-expended bin

PMC–Partial mission capable

PMCM–Partial mission capable maintenance

PMCS–Partial mission capable supply

PMI–Precious Metal Indicator

POD–Proof of delivery

POL–Petroleum, oils, and lubricants

POS–Peace Time Operating Stock

PWRS–Pre-positioned War Reserve Stock

QA–Quality assurance

QDR–Quality Deficiency Report

QECK–Quick Engine Change Kit

QUP–Quantity per unit pack

RDD–Required Delivery Date

RFI–Ready for issue

RIIF–Requisition History File

RI–Routing identifier

RIP–Remain-in-place

RO–Requisitioning objective

ROB-Receipt on Board

ROD-Report of Discrepant

RP–Reorder point

SAC–Special Accounting Class (207 or 224)

SAMMA/SAL–Stores Account Material Management Afloat/Ship Authorized Levels

SDD–Standard Delivery Date

SE–Support Equipment

SFOEDL–Summary Filled Order/Expenditure Difference Listing

SHORCAL–Shorebased Consolidated Allowance List

SLAC–Shelf-Life Action Code

SLC–Shelf-Life Code

SM&R–Source, Maintenance, and Recoverability (code)

SMCC–Special Material Content Code

SMI–Supply Management Inspection

SMIC–Special Material Identification Code

SNAP–Shipboard Non-tactical ADP Program

SNDL–Standard Navy Distribution List

SOS–Source of supply

SPAWARSYSCOM–Space and Naval Warfare Systems Command

SRA–Shop Replaceable Assembly

SSIC–Standard Subject Identification Code

SUADPS-RT–Shipboard Uniform Automated Data Processing System-Real Time

TAC–Transportation Account Code

TAT–Turn-around time

TBA–Table of Basic Allowance

TBOS–Test Bench Out of Service

TCMD–Transportation Control and Movement Document

TEC–Type equipment code

TIR–Transaction Item Report

TNICN–Temporary Navy Item Control Number

TP–Transportation Priority

UADPS–Uniform Automated Data Processing System

UI–Unit of issue

UIC–Unit Identification Code

UMMIPS–Uniform Material Movement and Issue Priority System

UNREP–Underway replenishment

UP–Unit Price

USID–Uniform System Identification Code

USTRANSCOM–United States Transportation Command

VERTREP–Vertical replenishment

VIDS–Visual Information Display System

WC–Work center

WRA–Weapons Replaceable Assembly

WSDC–Weapons System Designator Code

WSPD–Weapons System Planning Document

WUC–Work Unit Code

ZEN–Mail message to addressee vice electronic transmission

APPENDIX Ill

REFERENCES USED TO DEVELOP THIS TRAMAN

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Assignment Questions

Information: The text pages that you are to study are provided at the beginning of the assignment questions.

COMMANDING OFFICER
NETPDTC
6490 SAUFLEY FIELD ROAD
PENSACOLA FL 32509-5237

07 Sep 99

ERRATA #1

Specific Instructions and Errata for
Nonresident Training Course

AVIATION STOREKEEPER 1&C

1. To obtain credit for deleted questions, show this errata to your local course administrator (ESO/scorer). The local course administrator is directed to correct the course and answer key by indicating the questions deleted.

2. No attempt has been made to issue corrections for errors in typing, punctuation, etc., which do not affect your ability to answer the question.

3. Assignment Booklet

Delete the following questions, and leave the corresponding spaces blank on the answer sheets:

Questions	Questions
3-19	5-10
3-32	5-58
4-27	6-16
4-52	

Make the following changes:

Question	Change
3-1	In the question, delete the words "All except". Begin the sentence with the word "Which".
3-28	In the question, delete the word "Ashore", add the word "CONUS".
5-53	In the question, after the word "inventory", add the words "of controlled equipment".
7-57	In the question, line 3, make changes so the line reads "...missing the condition tag, the asset can be...".

ASSIGNMENT 1

Textbook Assignment: "Administration and Customer Service," chapter 1, pages 1–1 through 1-20.

1-1. Besides an aviation support division, a senior AK can be assigned to what other area of an ashore supply department?

1. Material control
2. Material division
3. Air operations
4. Air wing

1-2. To determine the number of AK personnel needed aboard ship, you would use which of the following factors?

1. The area of the ship's home port
2. Ship's deployment schedule
3. Type of material handling equipment used
4. Size and mission of the ship

1-3. Because of its complex operation, what area may require an AKC as a supervisor?

1. Squadron material control
2. AIMD material control
3. Maintenance support package
4. Air operations material control

1-4. To be effective, a senior AK supervising junior personnel must exercise which of the following traits?

1. Military behavior
2. Professional ability
3. Leadership
4. Self-expression

1-5. As a supervisor, your value to the organization is measured largely in which of the following areas of performance?

1. The cleanliness of your assigned spaces
2. Your professional knowledge
3. Your military bearing
4. The quality of work of your subordinate's performance

1-6. Although you, the supervisor, can delegate jobs to subordinates and do some yourself, you must NOT take which of the following attitudes?

1. It is easier to do the work yourself than to train subordinates
2. Subordinates can accomplish the job with proper training
3. Delegating certain jobs develops subordinates
4. Training subordinates will facilitate accomplishments

1-7. The supervisor who develops the skill in organizing should be able to perform which of the following functions?

1. praise in public; reprimand in private
2. personally accomplish large volumes of work
3. Delegate authority and responsibility to subordinates
4. Extend the working hours of the division

1-8. You must communicate clearly when doing which of the following actions?

1. Giving orders
2. Disseminating information
3. Training or instructing
4. All of the above

1-9. When communicating ideas between your subordinates and superiors, you must ensure NOT to bypass which of the following elements in an organization?

1. Chain of command only
2. Line of authority only
3. Chain of command and line of authority
4. Subordinates only

1-10. The problem–solving process is divided into how many steps?

1. 8
2. 6
3. 5
4. 4

1-11. Determining what you want to accomplish pertains to which of the following steps of the problem-solving process?

1. Defining the problem
2. Evaluating the action performed
3. Assembling the facts
4. Establishing the objectives

1-12. Finding out what rules, customs, and regulations apply to the problem is part of what problem-solving process?

1. Defining the problem
2. Establishing the objectives
3. Getting the facts
4. Taking action to solve the problem

1-13. When evaluating the action that was taken to solve the problem, you should check for changes in which of the following areas?

1. Production or output
2. Personnel attitudes
3. Personnel relationships
4. All of the above

1-14. Any unsettled questions or situations best define which of the following terms?

1. Problem
2. Secret
3. Predicament
4. Issue

1-15. Which of the following subjects is considered the most difficult for military and professional supervisors to learn?

1. Effective use of personnel
2. Analyzing the system
3. Adopting procedures
4. Examining materials

1-16. Featherbedding refers to which of the following definitions?

1. Maximizing production
2. Having more personnel than you need
3. Having the correct number of required personnel
4. Having the position vacated for a period of time

1-17. The application of the law of diminishing returns is described in which of the following statements?

1. Any job can be accomplished faster with more personnel
2. More personnel are needed to accomplish the job when there are changes to the procedures
3. Personnel are not able to accept additional workloads
4. The supervisor should be able to determine the optimum number of personnel for the organization

1-18. One of the factors that affects personnel distribution to a specific job is

1. personal ability
2. working hours
3. supervisory ability
4. equipment availability

1-19. Who is ultimately responsible for assigning personnel in the supply department organization?

1. Supply officer
2. Division officer
3. Special assistants
4. Work center supervisor

1-20. The first step in planning personnel assignments is to

1. analyze the task assignments
2. list all the jobs to be performed
3. match personnel with each job
4. distribute tasks equitably among personnel

1-21. In planning personnel assignments, which of the following statements is the purpose of job analysis?

1. Make the most effective use of manpower
2. Be able to group similar jobs for assignment to the same person
3. Help determine the skills required to do the job
4. All of the above

1-22. You should consider all except which one of the following traits when assigning work?

1. Educational level
2. Special aptitudes
3. Individual interests
4. Physical characteristics

1-23. You can ensure that subordinates learn to perform other jobs in the organization by conducting which of the following actions?

1. Filling TAD requirements
2. Job rotation
3. Assigning collateral duties
4. Evaluating performance

1-24. To have an effective and beneficial result, how should the supervisor rotate personnel to other jobs?

1. Rotate jobs from easy to hard assignments
2. Rotate from hard to easy assignments
3. Let personnel stay on the job to learn only the basic procedures
4. Reassign individuals to new assignments that are unrelated to previous ones

1-25. The real efficiency of a supply department to handle urgent requirements is challenged during what period?

1. While under way
2. During normal working hours
3. After normal working hours
4. Any time while in port

1-26. After normal working hours, the senior representative of the ASD/SSC is normally the

1. duty AK
2. supply officer
3. officer of the day
4. civilian supply clerk

1-27. Which of the following duties is NOT performed by the SDPO afloat?

1. Make safety and muster reports to the command duty officer
2. Notify the supply duty officer of material receipts
3. Control the keys to supply department spaces
4. Maintain passdown log for duty supply officer's signature

1-28. The basic responsibilities of the SDPO afloat and ashore are the same except for what duties?

1. Supervising personnel on duty
2. Maintaining security of spaces
3. Keeping accurate records of occurring events
4. Procedures specifically drafted for the particular organization

1-29. The management technique includes which of the following elements?

1. Control
2. Planning
3. Organization
4. All of the above

1-30. Which of the following elements of the management technique is considered the most important?

1. Control
2. Planning
3. Organization
4. Communication

1-31. What type of plan do TYCOMs and COs use to set the mission and objectives of their organization?

1. Standing plan
2. Single-use plan
3. Strategic plan
4. Plan of the day

1-32. Which of the following plans is used for short–range and nonrecurring activities?

1. Single-use plan
2. Standing plan
3. Strategic plan
4. Five-year defense plan

1-33. To help develop an effective plan for an operation, newly reported supervisors must first know which of the following information before making changes?

1. The past procedures only
2. The present procedures only
3. Both the past and present procedures
4. The proposed procedures only

1-34. To facilitate adjustments to accommodate changes to mission, manpower, or available equipment, supervisors should make plans that are

1. tolerable
2. flexible
3. dogmatic
4. bearable

1-35. The supervisor can ensure that personnel understand their duties and responsibilities by performing which of the following actions?

1. Assign personnel to the best petty officer
2. Have individuals read the instructions about their duties
3. Provide OJT to the individuals
4. After providing the training, observe the operation to see if it is properly carried out

1-36. Supervisors should perform what level of decision making, if any?

1. Any type of decision
2. Those within the supervisor's responsibilities
3. The same level as the division officer
4. None; the department head should decide

1-37. Which of the following terms refers to the effort that ties all work functions together?

1. Supervision
2. Decision making
3. Coordination
4. Evaluation

1-38 Who has the overall responsibility for training personnel in the Navy?

1. CO
2. DOD
3. CNP
4. CNO

1-39 The development of Navy training plans for new weapons systems and components are initiated by which of the following individuals?

1. CNP
2. CNET
3. Commander, NAVAIRSYSCOM
4. Chief of Naval Operations

1-40 Which of the following authorities is responsible for providing formal training to the operating forces?

1. TYCOMs
2. CNET
3. CNP
4. CNO

1-41. Which of the following commands is responsible for providing on-site training and management assistance to aviation units through the aviation maintenance management teams?

1. CNET
2. BUPERS
3. COMNAVAIRLANT/COMNAVAIRPAC
4. NAVAIRSYSCOM

1-42. Which of the following divisional duties for petty officers is the backbone of the personnel qualification program?

1. TPO
2. LPO
3. SDPO
4. DCPO

1-43. When developing a training plan, you should NOT include which of the following items?

1. Title
2. Duration of the lecture
3. Purpose of the lecture
4. Name of the instructor

1-44. The informal training provided to personnel can be monitored by using which of the following training tools?

1. Audio/visual aids
2. Training syllabus
3. Personnel advancement requirements
4. Personnel qualification standards

1-45. Which of the following factors should you consider to start planning the training program?

1. Personnel to be trained
2. Tasks to be performed
3. Occupational standards
4. All of the above

1-46. In planning the training program, the AK training manual is used in conjunction with what other manual?

1. JAG
2. OCCSTDs
3. NAVCOMPT
4. NAVOSH

1-47 Which of the following items identifies the study references for the AK training manual and Navywide advancement examinations?

1. NEC manual
2. OCCSTDS manual
3. CANTRAC
4. Bibliography and PARs sheet

1-48 The list of current Navy training manuals can be found in which of the following publications?

1. NAVEDTRA 12052
2. NAVEDTRA 12061
3. NAVEDTRA 12654
4. NAVEDTRA 71475

1-49 In developing the curriculum outline of subjects to be covered for the training program, how many basic steps are there?

1. 8
2. 2
3. 6
4. 4

1-50. Which of the following publications provides the format and arrangement of the training record?

1. NAVSUP P-485
2. OPNAVINST 5510.1
3. OPNAVINST 4790.2
4. DOD 4500.32-R

1-51. Which of the following phrases describes the advantage of having a standardized filing system in the Navy?

1. All types of correspondence can be filed together
2. It does not require a control system
3. It prevents retraining persons when they transfer
4. The size of all correspondence is the same

1-52. Which of the following publications provides the procedures for retention and disposition of records?

1. SECNAVINST 5210.11
2. SECNAVINST 5212.5
3. SECNAVINST 5215.1
4. OPNAVINST 5510.1

1-53. The SSICs are listed in which of the following publications?

1. OPNAVINST 5510.1
2. SECNAVINST 5210.11
3. SECNAVINST 5212.5
4. SECNAVINST 5215.1

1-54. The SSICs are required on which of the following types of Navy correspondence?

1. Letters and messages only
2. Directives and forms only
3. Reports only
4. All letters, messages, directives, forms, and reports

1-55. What publication should you consult for the current security requirements and regulations concerning classified material?

1. OPNAVINST 5510.1
2. SECNAVINST 5210.11
3. SECNAVINST 5212.5
4. SECNAVINST 5215.1

1-56. The Navy and Marine Corps Records Disposition Manual is identified by what publication number?

1. OPNAVINST 5510.1
2. SECNAVINST 5210.11
3. SECNAVINST 5212.5
4. SECNAVINST 5215.1

1-57. In customer service, contact point refers to which of the following terms?

1. The supervisor
2. The person manning the area
3. The department head
4. The place where the customer gets the service

1-58. To mold the team and encourage members to assume responsibility, the supervisor must be able to perform which of the following functions?

1. Set goals
2. Recognize ability
3. Acknowledge achievement
4. All of the above

1-59. Which of the following terms refers to the financial requirement necessary to support the approved defense program?

1. Annual budget estimates
2. Operating target
3. Financial report
4. Fixed allowance

1-60. Which of the following authorities is responsible for providing instructions and guidance in preparing and submitting budget estimates to expense limitation holders and responsibility centers or afloat units?

1. Primary stock points
2. Inventory control points
3. Fleet commanders
4. Commanding officers

ASSIGNMENT 2

Textbook Assignment: "storage and Material Handling," chapter 2, Pages 2-1 through 2-29.

2-1. Which of the following functions does supply constantly perform to provide support to its customers?

1. Receipt processing
2. Material storage
3. Process expenditures
4. All of the above

2-2. The efficiency of supply operations depends largely upon the smooth flow of which of the following elements?

1. Material only
2. Paperwork only
3. Material and paperwork
4. Personnel

IN ANSWERING QUESTIONS 2-3 THROUGH 2-10, SELECT THE TERM THAT IS DESCRIBED BY THE DEFINITION.

2-3. Any passageway within a storage area.

1. Aisle
2. Bay area
3. Loading dock
4. Floor plan

2-4. A definite area, in square feet, of a specified type of storage space that is formally apportioned for use.

1. Bin area
2. Gross storage space
3. Allocated space
4. Rack space

2-5. The area in which bins have been erected including the aisles and working space between the bins.

1. Bin area
2. Bin storage space
3. Bay area
4. Support area

2-6. The piece of metal used to span the space between the truck and the loading platform.

1. Floor load
2. Dunnage
3. Bridge plate
4. Drive-in rack

2-7. The weight that can be safely supported by a floor of a warehouse.

1. Gross storage space
2. Support space
3. Block storage
4. Floor load

2-8. The floor area on which bins or racks are erected and bulk material can be stored.

1. Net storage space
2. Gross storage space
3. Block storage
4. Floor plan

2-9. In open storage, the barrier of cleared or plowed land intended to check a grass fire.

1. Structural loss
2. Gross storage space
3. Firewall
4. Firebreak

2-10. A sorting device with a pivoting arm that is used to select an item off a conveyor and onto the proper discharge lane.

1. Swing arm sorter
2. Tilt slat sorter
3. Towline
4. Rack order picking

2-11. Which of the following items serve as an excellent management tool in the effective use of storage space when planning the storage layout?

1. Material handling equipment
2. Floor plan layout
3. Tote boxes
4. Pallet racks

2-12. The key factor in planning the storage layout ashore is

1. the weight limitations
2. the quantity of bulk inventories
3. the required storage space
4. personnel resources

2-13 Which of the following factors is NOT used in computing the required storage space at a shore activity?

1. Equipment capability
2. Occupancy of net storage space
3. Office equipment
4. Aisles

2-14. The critical factors in developing the layout for storage operations include the correlation between

1. the operators and equipment
2. the equipment and warehouse dimensions
3. the racks and shelvings
4. the fast and slow moving items

2-15. In planning the layout to support efficient operations, you should consider which of the following factors?

1. Special handling requirements
2. Handling classification
3. Pallet rack operations and small items
4. All of the above

2-16. There are how many basic handling classes of storage that should be considered when planning the layout to support operations?

1. 1
2. 2
3. 3
4. 4

2-17. Which of the following storage operations is considered the simplest way of handling material?

1. Pallet rack operations
2. Bin operations
3. Shelf-life item operations
4. Bulk storage operations

2-18. In planning the storage layout for small items, which of the following factors should be considered?

1. The number of shelvings
2. The height of shelvings
3. The MHE such as high rise stock pickers
4. All of the above

2-19. The material flow pattern that is useful for low or moderate storage activities is referred to as

1. straight line
2. cyclic
3. interacting
4. vertical

2-20. Which of the following flow patterns emphasizes the rapid and direct transfer of material from receiving to shipping?

1. Straight line
2. Cyclic
3. Interacting
4. Vertical

2-21. The storage pattern for storage areas used for pallet rack operations is designed according to which of the following elements?

1. Security requirements
2. Number of qualified MHE operators
3. MHE to move the material
4. Fire protection level

2-22. Generally, floor area utilization is maximized by minimizing which of the following spaces?

1. Working
2. Offices
3. Support
4. Aisles

2-23. Which of the following terms refers to the distance between the floor and all overhead obstructions in a storage space?

1. Clear height
2. Office
3. Support
4. Aisle

2-24. Which of the following factors affect the maximum utilization of clear height?

1. Storage space
2. Material handling equipment
3. Stackability of material
4. All of the above

2-25. What is the normal width, in inches , of the aisles of bins and shelving areas?

1. 30 to 36
2. 36 to 48
3. 48 to 72
4. 72 to 84

2-26. There are how many types of working aisles?

1. One
2. Two
3. Three
4. Four

2-27. Which of the following aisles is used as pedestrian routes only?

1. Cross
2. Transportation
3. Service
4. Personnel

2-28. Which of the following storage techniques allows quick access to high-demand items (fast movers)?

1. Palletizing
2. Popularity
3. Similarity
4. Binnability

2-29. To classify the items for similarity storage technique, you should use which of the following factors?

1. Stackability of material only
2. Type of packaging only
3. Packaging and stackability
4. Cognizance symbol

2-30. Which of the following spaces is NOT classified as a warehouse support area?

1. Shipping and receiving
2. General administrative office
3. Truck docks
4. Packing

2-31. Office spaces of the supply department should be designed to achieve which of the following purposes?

1. Facilitate production
2. Enhance communication
3. Simplify construction
4. Originality

2-32. The arrangement of an office space of a unit that processes large volumes of paperwork should be based on which of the following factors?

1. Space for filing cabinets
2. Size of office equipment
3. Number of desks
4. Workflow

2-33. Under the general guidelines, the layout of the office should be arranged in which of the following ways?

1. Offset
2. Straight and parallel
3. Angular
4. Jogs

2-34. The supervisor should be placed in what area of the office space?

1. Center of the office
2. Near any entrance
3. Rear of the work groups
4. Front of the work groups

2-35. How many total square feet is the desirable standard floor area for clerical workers?

1. 45
2. 50
3. 55
4. 60

2-36 How many total square feet of standard floor area should be allowed for the leading CPO?

1. 200
2. 120
3. 100
4. 60

2-37. Using the example for computing the standard area, how many total square feet floor area is the space requirement for 4 clerks, a leading CPO, and a division officer?

1. 480
2. 720
3. 780
4. 840

2-38 When desks are arranged by pairs, end for end, with aisles adjacent to each desk, what is the minimum space standard of inches from back to back?

1. 96
2. 84
3. 72
4. 60

2-39. How many more inches of space per desk should be added when 3 or more desks are used end for end, with aisles adjacent to outer desks only?

1. 12
2. 24
3. 36
4. 48

2-40. The space required for filing cabinets depends upon which of the following factors?

1. Frequency of the use of files
2. Size of cabinets
3. Arrangement of cabinets
4. All of the above

2-41 What is the measurement of the standard legal file cabinet?

1. 24” X 24”
2. 18” X 36”
3. 18” X 30”
4. 8” x 11”

2-42 Which of the following methods of storing bulk items maximize the use of storage space?

1. Applying the space approach
2. Storing by NIIN sequence
3. Storing by slot
4. Storing by unit size

2-43 The storing or withdrawing of stores that result in vacant space that becomes unusable for storing other items is referred to as what term?

1. Floor stacking
2. Honeycombing
3. Cross stacking
4. Palletizing

2-44. Which of the following factors directly affects the arrangement of material in a storage space afloat?

1. Category of material
2. Shelf-life program
3. The number of storerooms
4. Internal construction of space

2-45. In which of the following ways is material stowed aboard ship to reduce the effect of battle damage to other parts of the ship?

1. Storing all the same items in the forward section
2. Storing all the same items aft
3. Storing all the same items amidships
4. Dispersing items in various sections of the ship

2-46. How many inches wide should the aisles between racks, cabinets, or bins afloat be?

1. 12
2. 24
3. 30
4. 36

2-47. How should material that cannot: be identified be disposed of from ships?

1. Returned to manufacturer
2. Shipped to other ships
3. Issued free of charge
4. Turned in to a shore activity

2-48. Which of the following NAVSUP publications contains the Supply Afloat Packaging Procedures?

1. P-484
2. P-485
3. P-540
4. P-545

2-49. Afloat, the location system established for all storerooms is started from what part of the ship?

1. Forward on port side
2. Forward on starboard side
3. Amidships on centerline
4. Aft on starboard side

2-50. Codification to existing storage aids installed in a storeroom afloat can be accomplished by submitting a work request using what OPNAV Instruction?

1. 4790.1
2. 4790.2
3. 4790.4
4. 5442.4

2-51. How often are updates to the HMIS distributed?

1. Annually
2. Quarterly
3. Monthly
4. Weekly

2-52. The list of authorized hazardous material for afloat activities is contained in which of the following documents?

1. SHML
2. HMR
3. MSDS
4. HMIS

2-53. Flammable liquids have flash points of how many degrees Fahrenheit?

1. 100 degrees and below
2. 110 to 200 degrees
3. 100 degrees only
4. 200 degrees and above

2-54. The product of the net storage area when multiplied by the stacking height will provide which of the following information?

1. Total gross storage area
2. Bin cubic capacity
3. Total cubic feet capacity
4. Net storage space

2-55. The Navy Physical Inventory program is described in which of the following directives?

1. OPNAVINST 5510.1
2. OPNAVINST 4790.2
3. NAVSUPINST 4441.20
4. NAVSUPINST 4440.115

2-56. If pilferable items are stored with classified material, the space must be designated as what type of storage area?

1. FOUO storeroom
2. Classified storeroom
3. General storeroom
4. Pilferable items storeroom

2-57. How many forklift truck(s) is/are required to move 96 pallets if a forklift can carry 2 pallets per trip, a round trip takes 5 minutes to finish, and the job must be finished in 2 hours?

1. One
2. Two
3. Three
4. Four

2-58. The area occupied by a standard pallet, with 25 percent allowed for overhang, is approximately how many square feet?

1. 16
2. 24
3. 40
4. 48

2-59. Which of the following types of MHE is designed to carry aircraft engines in special containers?

1. Two-wheel hand trucks
2. Four-wheel hand trucks
3. Dollies
4. Handlift truck (MK 45)

2-60. When traveling, the forks of the forklift truck must be raised

1. not more than 4 inches above the deck
2. 4 inches or higher from the deck
3. not more than 4 feet above the deck
4. not more than 6 inches from the deck

ASSIGNMENT 3

Textbook Assignment: "Material Receipts and Expenditures," chapter 3, pages 3-1 through 3-30.

3-1. All except which of the following transactions is NOT an expenditure?

1. An item transferred between supply Officers
2. Material paid for by cash sales
3. Surveyed material
4. Items shipped for repair and return

3-2. When are expenditure transactions processed for AVDLR issued from stock?

1. Upon issue of material
2. When the BCM action on the turn-in is completed
3. When the turn-in is inducted for repair
4. Upon return of the RFI'd turn-in to stock

3-3. In an automated activity, the operating procedures to continue processing transactions during system downtime is referred to by which of the following terms?

1. Expediting
2. Batch processing
3. Contingency
4. Update

3-4. Gaining the possession of an item by accepting its physical custody refers to which of the following terms ?

1. Receipt
2. Expenditure
3. Transshipment
4. Replenishment

3-5. At what time frame must receiving activities have full control of material processed as receipt?

1. From acceptance until the receipt is signed
2. From receipt until material is placed in the pick-up area
3. From receipt until it is forwarded to the ultimate destination
4. From inspection until verification

3-6. Control procedures of receipt processing should include which of the following actions?

1. Identifying the quantity received
2. Annotating the source and date of receipt
3. Ensuring receipt documents are signed and dated by the customer
4. All of the above

3-7. In a supply department organization ashore, how many sections does a receiving branch have?

1. 1
2. 2
3. 3
4. 4

3-8. In a supply system organization, what does FISC stand for?

1. Federal Industrial Supply Center
2. Fleet Industrial Support Center
3. Fleet Integrated Support Center
4. Fleet and Industrial Supply Center

3-9. In an FISC organization, the receiving function may be performed by what defense organization under the DLA?

1. Logistics Support Center
2. Distribution Depot
3. General Supply Center
4. Industrial Supply Center

3-10. The material received and processed by a DLA organization may be transferred to the FISC's custody if it requires what action?

1. Local delivery
2. Transshipment to another FISC
3. Shipment to an overseas destination
4. Discrepancy reporting

3-11. Which of the following elements of the supply department is responsible for maintaining open order files for receipts?

1. Stores section
2. Receiving operations
3. Receipt processing section
4. Returned material section

3-12. What part of the receiving branch is responsible for processing material received from end–users?

1. Shipping section
2. Receipt processing section
3. Receiving operations section
4. Returned material section

3-13. The closed-loop receipt processing procedures include completing which of the following actions?

1. Material is transferred to the ultimate consignee
2. Receipt documents are signed and dated
3. Transactions are recorded in the ledger or file
4. All of the above

3-14. Material receipts can be identified as stock using which of the following data?

1. Document number
2. Project code
3. Supplementary address
4. All of the above

3-15. Which of the following NAVSUP instructions contains procedures for submitting a Report of Discrepancy (ROD)?

1. 4440.179
2. 4440.177
3. 4440.174
4. 4440.172

3-16. The procedures for reporting of transportation discrepancies in shipment are contained in which of the following NAVSUP instructions?

1. 4440.187
2. 4610.31
3. 4610.33
4. 4610.34

3-17. After checking the material received, the checker initials the DD Form 1348-1 in what block?

1. 1
2. 5
3. 3
4. 7

3-18. When used, how are the preposting copies disposed of after the material is processed?

1. Attached to the material
2. Forwarded to storage
3. Sent to receipt control
4. Retained in receiving file

3-19. In what block of a DD Form 1348-1 is the SHIP TO address located?

1. A
2. B
3. AA
4. BB

3-20. How many copies of DTO receipt document(s) should be forwarded with the material to the proper delivery or shipment section?

1. One
2. Two
3. Three
4. Four

3-21. Which of the following forms is used to report shipping discrepancies that are attributable to the shipper?

1. NAVSUP Form 367
2. DD Form 1384
3. Standard Form 1103
4. Standard Form 364

3-22. Which of the following conditions is NOT a criteria for submitting a ROD to the shipper?

1. Damage caused before shipment
2. Incorrect item shipped
3. Incorrect item ordered
4. Excess quantity shipped

3-23. A Report of Discrepancy may be submitted via naval message when it involves which of the following material requirements?

1. NMCS only
2. PMCS only
3. CASREP only
4. NMCS, PMCS, or CASREP

3-24. AS a general rule, the ROD action activity will request the submitting activity to retain the discrepant material if the value is approximately which of the following amounts?

1. Exactly $500
2. Less than $500
3. Over $500, but less than $1,000
4. Over $1,000

3-25. Afloat, if the ROD discrepant material is not economical to the ship because of size, the submitting activity may request to

1. dispose of the material locally
2. transfer the material to the nearest stock point
3. disassemble the material and ship in separate pieces
4. hold the material on board indefinitely

3-26. Which of the following activities is responsible for researching and resolving RODS for material shipped between Navy activities?

1. Activity that shipped the material
2. Trucking company
3. Manufacturer of the item
4. Activity that received the material

3-27. Which of the following activities or offices is responsible for researching and resolving the ROD submitted for material received from commercial vendors?

1. Vendor of the item
2. Manufacturer of the item
3. The activity that received the item
4. The contracting office that received the item

3-28. Ashore, the material was shipped to the requisitioner by a traceable means but not received. How many days from the shipment status date should elapse before a ROD is processed?

1. 10
2. 15
3. 45
4. 90

3-29. How many total numbers of days should elapse from the status date before an ROD can be processed for material shipped by nontraceable means but not received?

1. 15
2. 20
3. 35
4. 60

3-30. What FIR code should be used to process transactions for shipper's loss?

1. M4
2. M5
3. D4
4. D5

3-31. A Report of Deficiency (ROD) is submitted by a deployed ship for a requisition with BA status, but the material has not been received at OCONUS. How many maximum days from the status date must pass before submitting the ROD?

1. 120
2. 90
3. 60
4. 45

3-32. The action activity must receive the ROD from the requesting activity within how many total days from the shipment date?

1. 60
2. 90
3. 150
4. 175

3-33. If there are receipt discrepancies involving controlled items, you should notify which of the following officers?

1. Security
2. Medical
3. Administrative
4. Deck

3-34. The ROD copy forwarded by the ATAC hub to the turn-in activity is used for what purpose?

1. Research
2. Billing adjustment
3. Information only
4. Resolution

3-35. Completed copies of closed ROD cases must be filed and retained for what minimum period?

1. 3 months
2. 12 months
3. 3 years
4. 4 years

3-36 Action activities are required to reply within how many days after receiving the ROD?

1. 30
2. 45
3. 60
4. 90

3-37 After submitting the first ROD, at what minimum interval should subsequent follow–ups be submitted to the action activity?

1. 30 days
2. 45 days
3. 60 days
4. 90 days

3-38. Which of the following forms is used to submit the Discrepancy in Shipment Report?

1. DD Form 1149
2. NAVSUP Form 1250
3. Standard Form 364
4. Standard Form 361

3-39. In processing receipts, the storeroom AK initials and puts the stowage date on what block of the DD Form 1348-1?

1. 9
2. 5
3. BB
4. AA

3-40. The material turned-in to store (MTIS) is primarily used to process receipts of material with what condition code?

1. J
2. H
3. F
4. A

3-41. Before sending to screening, how many copies of DD Form 1348-1 are attached to the MTIS material?

1. One
2. Two
3. Three
4. Four

3-42. Ashore, MTIS material that cannot be positively identified as scrap must be referred to what official for final determination?

1. Commanding officer
2. Inventory control officer
3. Maintenance officer
4. Disposal officer

3-43. Material transfers to DRMO that are authorized by the item manager are assigned what disposal authority code ?

1. M
2. N
3. 0
4. P

3-44. The Navy material returns program is described in which of the following NAVSUP publications?

1. P-545
2. P-484
3. P-437
4. P-505

3-45. What minimum number of copies of DD Form 1348-1 must accompany the material that is transferred to (a) DRMO or (b) stock storage?

1. (a) 1 (b) 1
2. (a) 2 (b) 3
3. (a) 3 (b) 2
4. (a) 3 (b) 1

3-46. When processing repairable MTIS, shore activities should provide additional packaging for which of the following situations?

1. When the need is indicated in the transfer document
2. When the container used does not provide proper protection
3. Only when temporary packing is provided to the material
4. All of the above

3-47. Repairable MTIS that is categorized as a critical item is assigned transportation priority one and what associated code?

1. Blue stripe
2. Red stripe
3. White stripe
4. Green stripe

3-48. Which of the following officials is directly responsible for the entire material receiving process afloat?

1. Supply officer
2. Deck officer
3. Officer of the deck
4. Operations officer

3-49. Advance planning, coordination, and scheduling with the shipping activity and supporting shore station for required MHE are prerequisites for which of the following types of replenishment afloat?

1. INREP
2. UNREP
3. VERTREP
4. CONREP

3-50. The UNREP/INREP is basically accomplished in how many processing steps?

1. 9
2. 7
3. 3
4. 5

3-51. Which of the following actions must be performed before forwarding material received in multi-packs during UNREP?

1. The shipping container is opened
2. The individual packages are checked
3. The material. is sorted
4. All of the above

3-52. Using figure 3-3 in the text as a reference, materials identified with numbers 2 through 4 in the red diamond are to be located in what type of storage area?

1. General storeroom
2. Flammable storeroom
3. Acid locker
4. Dry provisions storeroom

3-53. Which of the following procedures is/are used for testing gas cylinders to determine if they are empty or filled with gas?

1. By opening the valve gently and closing it when sound of gas escaping is heard
2. Having the gas cylinders weighed
3. By using a pressure gauge
4. Both 2 and 3 above

3-54. The number of personnel required for the UNREP depends upon which of the following factors?

1. Number of stations to be manned
2. Types and amount of incoming material
3. MHE to be used
4. All of the above

3-55. Which of the following material transactions is NOT an expenditure?

1. Survey of lost material
2. Issue from stock
3. Issue from pre-expended bin
4. Material transferred between supply officers

3-56. When using the drop sheet method in a Material Support Package (MSP), in what manner are the issued items listed on the form?

1. The quantity is accumulated for each item issued
2. Each issue is entered separately
3. All transactions are grouped by organizational code
4. The items are listed by location number

3-57. Which of the following officials is authorized to transfer stock or operational support inventary material from his/her custody?

1. Supply officer
2. Custodial department head
3. Weapons officer
4. Officer of the deck

3-58. A DD Form 200 is NOT prepared for which of the following supply system stock discrepancies?

1. Classified material
2. Adjustment to AVDLR/DLR
3. Repetitive loss because of theft
4. Noncontrolled item with extended value of $2,000

3-59. Which of the following individuals determines if a DD Form 200 is required for loss of property book material?

1. Supply officer
2. Commanding officer
3. Material officer
4. Stores officer

3-60. The approved copy of DD Form 200 and other documents relating to surveyed material should be retained for at least how long?

1. 1 year
2. 2 years
3. 3 years
4. 4 years

ASSIGNMENT 4

Textbook Assignment: "Aviation Material Management," chapter 4, pages 4-1 through 4-27.

4-1. The Navy supply system is under the direction of which of the following authorities?

1. COMNAVAIRSYSCOM
2. COMNAVSUPSYSCOM
3. COMNAVSEASYSCOM
4. COMNAVFACENGCOM

4-2. Which of the following organizations has the primary inventory responsibility for all aeronautical material in the naval supply system?

1. NAVICP-Philadelphia
2. FMSO
3. NAVICP–Mechanicsburg
4. DLSC

4-3. Aeronautical repairable components in the Navy are grouped into how many categories?

1. 1
2. 2
3. 3
4. 4

4-4. What computation method is used to set the high limit of FLR stock inventory level?

1. Using the same quantity as the number of aircraft being supported
2. They are automatically set by NAVICP
3. The same number as the repair quantity per month
4. The same manner as for consumables

4-5. Which of the following terms refers to all replaceable packages of avionic equipment or systems as installed in the aircraft weapons system?

1. Weapons replaceable assembly
2. Shop replaceable assembly
3. Field level repairable
4. Armament

4-6. Total quantities of all repairable components are reported by all supply levels to NAVICP for what purpose?

1. The NAVICP can have an accurate count of assets
2. To determine the schedule of repairable
3. To decide when to buy additional quantities
4. All of the above

4-7. Under the DLR program, which of the following inventory accounts may be used to stock components?

1. Defense business operations fund
2. Appropriations purchase account
3. End-use
4. All of the above

4-8. Which of the following accounts is a revolving fund?

1. Operations and maintenance, Navy
2. Defense business operations fund
3. Military personnel, Navy
4. OPTAR fund

4-9. When material purchased under DBOF is received, it is placed under what stores account?

1. 51000
2. 52000
3. 53000
4. 57000

4-10. In what stores account is the APA material held?

1. 51000
2. 52000
3. 53000
4. 57000

4-11. Which of the following codes is used in the first digit of the cognizance symbol to identify contractor supported items?

1. 7
2. 5
3. 1
4. 0

4-12 Under end-use procedures, DLRs are held in which of the following stores accounts?

1. 51000
2. 52000
3. 55000
4. 57000

4-13. The operations and maintenance funds used by activities to buy end–use DLRs are apportioned to them by what activity?

1. Supply officer
2. Defense accounting office
3. Type commander
4. Functional air wing

4-14. Which of the following supply codes is used to classify material to determine the readiness for issue and use?

1. Purpose code
2. Condition code
3. Material control code
4. Shelf-life code

4-15. Which of the following factors is considered for establishing the estimated fixed allowance quantity of an activity?

1. Operating hours
2. Failure rates
3. Turn-around time
4. All of the above

4-16. You should refer to which of the following sources to determine the disposition of NRFI repairable that cannot be repaired by the local IMA?

1. ICRL
2. MRIL
3. IMRL
4. CRIPL

4-17. To what extent and how often are updates to the Master Repairable Item List in CD-ROM format issued?

1. Updated in its entirety and distributed monthly
2. Only the updated information is published monthly
3. Corrected data is issued in separate CD format only upon request
4. Updates are distributed automatically every 3 months in a separate publication

4-18 The MRIL in CD-ROM format consists of how many parts?

1. 5
2. 2
3. 3
4. 4

4-19 Inventory managers have the option to change what particular information in the MRIL?

1. Movement priority designator
2. Material control code
3. National stock number
4. Shipping address

4-20 The transportation nodes for repairable retrograde are responsible for performing which of the following functions?

1. Consolidation and shipment of NRFI DLRs to the hub
2. Scheduling repairs of NRFI DLRs to NADEPs
3. Forwarding retrograde to the supply department for screening
4. Storing NRFI DLRs in the designated warehouse

4-21. Which of the following directives provides detailed procedures concerning FLR transactions?

1. OPNAVINST 4790.2
2. FASOINST 4441.15
3. NAVSUPINST 4440.159
4. NAVSUPINST 4440.160

4-22 An activity's fixed allowance of AVDLRs may not be exceeded without the authorization of which of the following authorities?

1. TYCOM
2. ACC
3. SECA
4. NAVICP

4-23 The IRIM program at the inventory control points, designed to improve the availability of AVDLRs, is described in which of the following directives?

1. FASOINST 4441.16
2. NAVSUPINST 4419.4
3. NAVSUPINST 4440.4
4. OPNAVINST 4790.2

4-24. Which of the following instructions outlines the urgency of need levels of AVDLRs in the B08 cyclic repairable management program?

1. NAVSUPINST 4440.4
2. FASOINST 4441.15
3. FASOINST 4440.98
4. OPNAVINST 4790.2

4-25. Which of the following programs is similar to the B08 program and sets the production levels at NADEPs for items that are in critical stocking levels?

1. IRIM
2. Component repair
3. Level scheduling
4. EI

4-26. Implementing and managing the tool control program is the overall responsibility of which of the following offices?

1. Type commander
2. Fleet commander
3. NAVSUPSYSCOM
4. CNO

4-27. Electrical shocks from ESD can be prevented by using which of the following materials in the work area?

1. Conductive material where the technician is attached to a soft ground
2. Non-conductive rubber mats
3. Rubber tile
4. Synthetic carpeting

4-28. There are how many types (EIs)? engineering investigations

1. 1
2. 2
3. 3
4. 4

4-29. Within how many days from the discovery of a deficiency must the originating activity submit the EI when using a routine message?

1. 10
2. 9
3. 7
4. 5

4-30 Supply departments should hold EI material exhibits for how many days?

1. 10
2. 25
3. 30
4. 45

4-31. If no disposition instruction is received after 30 days of holding the EI exhibit, what is the next step of action?

1. Request disposition from the CFA
2. Ship the EI exhibit to the nearest NADEP
3. Ship the EI exhibit according to the MRIL
4. Hold the EI exhibit for an additional 5 days

4-32. Material shipped as an EI exhibit is assigned what condition code?

1. F
2. G
3. H
4. L

4-33. Which of the following directives establish the uniform policies and procedures for planning, developing, and managing contractor maintenance programs?

1. DOD 4151.1
2. SECNAVINST 4860.42
3. SECNAVINST 4200.27
4. All of the above

4-34 The QDR program is used for reporting deficiencies of material that is received in what condition?

1. New material only
2. Newly reworked material only
3. New or newly reworked material
4. Used parts only

4-35. Material discrepancies discovered after the initial use of the item does not qualify for which of the following types of reporting?

1. HMR
2. QDR
3. EI
4. EMR

4-36. Shipments of material exhibits for QDR are assigned which of the following document identifiers on the shipping document?

1. BQD
2. BEI
3. BC1
4. D6A

4-37. Unless otherwise waived, each contract must have warranties that cover which of the following requirements?

1. Design and manufacturing
2. Essential performance
3. Material and workmanship
4. All of the above

4-38. Centralized contracting of the rebuilding of tires of naval aircraft is the responsibility of which of following commands or offices?

1. COMNAVAIRPAC
2. COMNAVAIRLANT
3. NAVICP-Philadelphia
4. NAVICP-Mechanicsburg

4-39. The list of naval aircraft tires that are not rebuildable can be found in which of the following directives?

1. FASOINST 13421.1
2. FASOINST 13600.1
3. NAVSUPINST 4400.70
4. NAVSUPINST 4410.52

4-40. What material condition code is assigned to NRFI tires that are (a) condemned and (b) rebuildable?

1. (a) H (b) F
2. (a) H (b) A
3. (a) F (b) H
4. (a) F (b) J

4-41. Which of the following reclamation programs applies to operable aircraft that were stricken from the operating inventory and designated by the CNO?

1. RILOP
2. SARDIP
3. COMREC
4. SEREC

4-42. What reclamation program applies to aircraft engines stricken by NAVAIR?

1. SE reclamation
2. SARDIP
3. RILOP
4. COMREC

4-43. Before a fleet-controlled item can be processed as BCM, a request for authorization must be sent to what Office?

1. NAVICP-Philadelphia
2. TYCOM
3. NAVAIR
4. FISC

4-44. Upon requisitioning, which of the following material cognizant codes can create a financial charge to the end-use funds?

1. 4V
2. 0R
3. 7R
4. 4R

4-45. When submitting the AVCAL drawdown requisition for AVDLR, what (a) demand and (b) signal code should be used?

1. (a) N (b) C
2. (a) N (b) A
3. (a) R (b) C
4. (a) N (b) B

4-46. Which of the following statements concerning MAMs is/are true?

1. MAMs are not part of the fixed allowance
2. Most MAMs are used as support equipment
3. MAMs are centrally funded and pushed by NAVICP-Philadelphia
4. All of the above

4-47. Excess AVDLRs that were turned-in by a non-TIR activity are shipped to which of the following activities?

1. DRMO
2. NADEP
3. TIR
4. TYCOM

4-48 When the DRP receives a WRA with a missing SRA, what report is submitted to NAVICP to correct the situation?

1. Quality deficiency report
2. variance report
3. Effectiveness report
4. 3-M report

4-49. In what activity are carcass tracking records established?

1. At the TYCOM level only
2. The NAVICP only
3. The customer level only
4. The NAVICP and customer that stocks and issues material

4-50. Which of the following document identifiers, when processed, will open the carcass tracking record?

1. B7A
2. BQD
3. AE1
4. AS1

4-51. NAVICP-Philadelphia will send a document identifier BK1 to the requisitioner ashore after how many days have elapsed from the requisition date?

1. 10
2. 30
3. 45
4. 75

4-52. What advice code is used by NAVICP to send the BK1 to start the material issue?

1. 5G
2. 5R
3. 5A
4. 5K

4-53. To notify the activity that the BK2 is not acceptable, NAVICP sends which of the following document identifiers?

1. D6R
2. BK5
3. BK2
4. BKR

4-54. Which of the following document identifiers is used to inform the requisitioner of an additional billing for a carcass value?

1. BK1
2. BK2
3. BK3
4. BK4

4-55. Which of the following NAVSUP Forms is used to submit the allowance change request-fixed?

1. 1375
2. 1310
3. 1153
4. 1114

4-56. The length of time (in months) a consumer level inventory is required to support an operating site's mission without resupply refers to which of the following terms?

1. Fixed allowance
2. Reorder point
3. Order and shipping time
4. Endurance period

4-57 The NAVAIR 00-35QB series of an outfitting list will show the quantity by aircraft type of each item based on what other information?

1. Number of repairs
2. Anticipated flight hours
3. Deck load
4. Deployment schedule

4-58 How often are ships' aviation consolidated allowance list updated?

1. Before each deployment
2. After each deployment
3. Quarterly
4. Semiannually

4-59. Approximately how many months before the beginning of each fiscal year will NAVICP-Philadelphia negotiate AVCAL schedules with the cognizant TYCOMs?

1. 1
2. 2
3. 6
4. 8

4-60. NAVICP-Philadelphia loads the PPR for TIR activities by using which of the following document identifiers?

1. AOA
2. BEI
3. BQD
4. BPR

ASSIGNMENT 5

Textbook Assignment: "Inventory Management," chapter 5, pages 5-1 through 5-26.

5-1. Navy inventory management activities are classified into how many groups?

1. One
2. Two
3. Three
4. Four

5-2. The naval inventory control point (NAVICP) organization comes under which of the following commands?

1. COMNAVSEASYSCOM
2. COMNAVAIRSYSCOM
3. COMNAVSUPSYSCOM
4. COMNAVFACENGCOM

5-3. The Navy supply distribution system is involved with how many stocking levels?

1. One
2. Two
3. Three
4. Four

5-4. Material at the wholesale level is under the management control of which of the following echelons?

1. TYCOM
2. SECA
3. NAVICP
4. ACC

5-5. Which of the following supply operations affect(s) inventory accuracy?

1. Issue processing
2. Receipt processing
3. Stock record maintenance
4. All of the above

5-6. In automated procedures, there are how many methods of entering records in the computer?

1. One
2. Two
3. Three
4. Four

5-7. At least how often should ships submit requests for stock record reconciliation, to the NAVICP?

1. Monthly
2. Quarterly
3. Annually
4. Biennially

5-8. At a minimum, how often are the prices in the stock records of a command updated by NAVICP-Mechanicsburg?

1. Weekly
2. Monthly
3. Quarterly
4. Annually

5-9. Which of the following reports should you use to check AVDLR items that may require an ACR-F?

1. Fixed allowance management review
2. AVCAL/COSAL analysis
3. AVCAL/COSAL percentage
4. Supply effectiveness

5-10. The repair effort of the supporting IMA should be terminated and the AVDLR is to be processed as a BCM. Which of the following reports provides information to help you make the decision?

1. AVCAL/COSAL analysis
2. AVCAL/COSAL percentage
3. Awaiting return from AIMD
4. Fixed allowance management review

5-11. The supply effectiveness report is used to ensure which of the following actions is/are taken?

1. The NC standard items are validated for substitutes
2. The NC nonstandard items are verified for substitute standard items
3. The NIS items are verified by the supervisor
4. All of the above

5-12. The location survey function validates all record information. except which of the following data?

1. Record count
2. Location
3. Material identification
4. Material condition

5-13. Which of the following functions is NOT part of the physical inventory procedures?

1. Post count validation
2. Preadjustment research
3. Causative research
4. Transaction reporting

5-14. A bulkhead-to-bulkhead inventory may be conducted when a random sampling result is less than what percent accurate?

1. 90
2. 95
3. 98
4. 100

5-15. What type of inventory is performed if it includes only shelf-life items, pilferable items, or classified material?

1. Wall-to-wall
2. Specific commodity
3. Spot
4. Special material

5-16. The unscheduled inventory needed to verify the quantity of material on hand as a result of an NIS requisition status is known as a

1. velocity inventory
2. wall–to–wall
3. spot
4. special material

5-17. Not counting the items that are periodically inventoried, what maximum percent of all stock items is used for random sampling?

1. 5
2. 10
3. 15
4. 25

5-18. Which of the following data, which have changes made as a result of a random sampling inventory, is not considered as errors when computing the inventory accuracy rate?

1. Location
2. Cognizance symbol
3. Quantity difference value over $25,000
4. Quantity adjustment over 10 percent of stock balance

5-19. What is the inventory frequency for maintenance assist modules (MAMs)?

1. Quarterly
2. Annually
3. Biennially
4. Semiannually or change of department head

5-20. What is the minimum inventory frequency for AVDLRs?

1. Quarterly
2. Annually
3. Biennially
4. Semiannually

5-21. What is the minimum inventory frequency for controlled equipage?

1. Quarterly
2. Annually
3. Biennially
4. Semiannually

5-22. Which of the following directives contains procedures for managing the physical inventory program for FISC?

1. NAVSUPINST 4440.179
2. NAVSUPINST 4440.159
3. NAVSUPINST 4440.155
4. NAVSUPINST 4440.115

5-23. Ashore, which of the following terms refers to a situation when an issue document is printed but the required item is not available in the location?

1. Not in stock (NIS)
2. Warehouse refusal
3. Not carried (NC)
4. Open purchase

5-24. A shore supply activity that elects not to use the warehouse refusal procedures must conduct a spot inventory for warehouse refusals greater than what amount?

1. $100
2. $300
3. $500
4. $800

5-25. Warehouse refusals for requisition priorities 01 through 03 must be resolved within what minimum time frame since the issue document was printed?

1. Not later than 4 days
2. Not later than 3 days
3. Not later than 2 days
4. The same day the issue document is printed

5-26. To determine the overall inventory accuracy of general supplies ashore, at least how often should a random statistical sample inventory be conducted?

1. Monthly
2. Quarterly
3. Biennially
4. Annually

5-27. When classified material is maintained in dual stock records, what form is used for manual stock records?

1. DD Form 1348 (6-pt)
2. NAVSUP Form 766
3. NAVSUP Form 1075
4. Standard Form 1103

5-28 What is the minimum inventory frequency for shop stores and ready supply stores?

1. Once during the fiscal year
2. Once during the calendar year
3. Once every 2 years
4. Only when directed by TYCOM

5-29. During what quarter of the fiscal year should stock points prepare inventory schedules?

1. First
2. Second
3. Third
4. Fourth

5-30. Before the physical inventory, a copy of the inventory schedule must be provided to supply echelons that perform which of the following functions?

1. Receipts
2. Issues
3. Warehouse
4. All of the above

5-31. The physical inventory segments for general supplies are based upon the number of line items that can be processed within how many calendar days?

1. 7
2. 15
3. 30
4. 90

5-32. What further action, if any, is required when the inventory of noncontrolled items resulted in a difference of $700 between the adjusted count quantity and cutoff quantity?

1. Prepare a Report Of Discrepancy
2. A second count is required
3. A DD Form 200 must be prepared
4. None, the inventory is complete

5-33. A stock point that has an inventory value of $99 million is assigned which of the following maximum threshold amounts?

1. $2,500
2. $1,000
3. $ 500
4. $ 100

5-34. Scheduled inventories requested by naval activities must be completed within what maximum time from the actual cutoff date?

1. 30 working days
2. 30 calendar days
3. 20 calendar days
4. 15 calendar days

5-35. Reversals of inventory adjustments may be permitted if accomplished within what number of days from the date of adjustment?

1. 365
2. 450
3. 730
4. 820

5-36. What FIR code denotes inventory adjustment and loss of incoming material shipments?

1. D4
2. M4
3. M5
4. M6

5-37. An MLSR is considered as what type of report?

1. Initial
2. Final
3. Optional
4. Concluding

5-38. Which of the following terms refers an in-depth investigation of a selected inventory adjustment?

1. Reporting requirements
2. Adjustment reversal
3. Causative research
4. Warehouse refusal

5-39. At a minimum, how often do activities using the statistical location (STATLOC) system conduct sample location surveys?

1. Weekly
2. Monthly
3. Quarterly
4. Annually

5-40. What is the goal of the location survey accuracy rate?

1. 75 percent
2. 98 percent
3. 95 percent
4. 90 percent

5-41. The location reconciliation between the NAVICP and stock points must be maintained at what accuracy rate?

1. No more than 97 percent
2. At least 95 percent
3. No more than 87 percent
4. Not less than 97 percent

5-42. The records of physical inventory, such as inventory counts, must be retained for what minimum period of time?

1. 1 year
2. 2 years
3. 3 years
4. 6 months

5-43. What directive describes the policy for managing the range and depth of stock material that each ship is required to carry for self–support?

1. OPNAVINST 4790.2
2. OPNAVINST 5510.1
3. OPNAVINST 4441.12
4. OPNAVINST 4614.1

5-44. Which of the following stock levels is equal to the low limit plus the operating level quantity?

1. High limit
2. Safety level
3. Reorder point
4. Order and shipping level

5-45. Which of the following authorities afloat can increase the unit price limit of items to be included in the PEB?

1. Supply officer
2. Commanding officer
3. COMNAVSUPSYSCOM
4. TYCOM

5-46. Physical inventory schedules of afloat activities are prepared by which of the following individuals?

1. Material officer
2. Supply officer
3. Commanding officer
4. Type commander

5-47. Which of the following functions must be performed before the physical inventory?

1. Process outstanding receipts
2. Post all issue transactions
3. Process suspense items
4. All of the above

5-48. The process for resolving inventory discrepancies between the actual count and the stock record quantity describes what term?

1. Reconciliation
2. Location audit
3. Physical inventory
4. Survey

5-49. Causative research is conducted in which of the following situations?

1. Adjustments involving AVDLRs
2. Anytime classified or sensitive items are involved
3. When there is an indication of theft
4. All of the above

5-50. The supply officer may be delegated by the commanding officer to sign DD Form 200 for which of the following reasons?

1. There is an indication of fraud or negligence
2. The item is an AVDLR
3. The adjustment is over $10,000
4. The items are classified

5-51. The items that require inventory during transfer of an aircraft are listed on what OPNAV Form?

1. 4790/104
2. 4790/109
3. 4790/111
4. 4790/112

5-52. At least how many inventories are required when an aircraft is transferred by ferry flight?

1. Five
2. Two
3. Three
4. Four

5-53. When an inventory is required by the relieving commanding officer, it must be completed within how many days after the start date?

1. 90
2. 75
3. 45
4. 30

5-54. Who maintains the original copy of NAVSUP Form 306?

1. Cognizant department head
2. Supply officer
3. Disbursing officer
4. Stock control officer

5-55. Results of the annual inventory of IMRL items must be reported according to what directive?

1. NAVAIRINST 13650.1
2. OPNAVINST 5510.1
3. OPNAVINST 3750.6
4. FASOINST 4441.16

5-56. Type II (numeric) shelf-life codes are assigned to materials to indicate which of the following information?

1. The number of months from manufacture that the item must be scrapped
2. The year the item must be used
3. The shelf-life may be extended
4. The shelf-life cannot be extended

5-57. Which of the following condition codes is assigned to material with 3 to 6 months of shelf-life remaining?

1. A
2. B
3. C
4. D

5-58. Storage of supply department stock in other department spaces must be authorized by which of the following officials?

1. Admin officer
2. Operations officer
3. Executive officer
4. Supply officer

5-59. During the relief of the supply officer afloat, what is the acceptable accuracy percentage rate for (a) inventory and (b) location audit results?

1. (a) 85 (b) 90
2. (a) 90 (b) 90
3. (a) 90 (b) 95
4. (a) 87 (b) 90

5-60. The list of star and status codes used in ETRs can be found in which of the following instructions?

1. NAVSUPINST 4421.20
2. DODINST 4140.35
3. OPNAVINST 5442.4
4. NAVAIF.INST 13700.15

ASSIGNMENT 6

Textbook Assignment: "Financial Management," chapter 6, pages 6-1 through 6-24.

6-1. The financial management procedures are included in which of the following items?

1. Cost accounting
2. Inventory accounting
3. OPTAR accounting
4. All of the above

6-2. The accounting classifications are listed in which of the following publications?

1. DFAS-CL (NAVSO P) 1000.3-M
2. DFAS-CL (NAVSO P) 1000.2M
3. DOD 4000.25-1-M
4. OPNAVINST 4790.2

6-3. The list of unit identification codes can be found in which of the following publications?

1. NAVSOP-3013-2
2. NAVCOMPT Manual, Vol 2, Chap 5
3. DFAS-CL (NAVSOP) 1000.3-M
4. NAVSUP P-437

6-4. Budget activities are identified by accounting symbols known as

1. subheads
2. fund codes
3. allotments
4. funds

6-5. Bureau control numbers are prefixed by a 2-digit code that denotes which of the following information?

1. Budget project number
2. Allotment number
3. Fiscal year
4. Fund code

6-6. Which of the following terms refers to an authorization granted within for the purpose of incurring commitments, obligations, and expenditures to accomplish an approved operating budget?

1. Budget OPTAR report
2. Allotment
3. Expense element
4. Threshold

6-7. The accounting classification codes are made up of how many data elements?

1. 6
2. 5
3. 3
4. 9

6-8. An activity identified. by a UIC and incurs costs against an operating budget is referred to as a/an

1. authorization accounting activity
2. expense authority
3. cost center
4. major claimant

6-9. The budget amount within an operating budget that has been approved for incurring expenses refers to which of the following terms?

1. Expenditure
2. Expense authority
3. Expense element
4. Expense limitation holder

6-10. From which of the following offices do major claimants receive the operating budgets?

1. CNO
2. TYCOM
3. Ship's commanding officer
4. Authorization accounting activity

6-11. Which of the following authorities is classified as a responsibility center?

1. Air wing
2. Type commander
3. Ship's commanding officer
4. Authorization accounting activity

6-12. Which of the following terms refers to a billing document that has not been matched with an unfilled order after the reconciliation by DAO?

1. Threshold
2. Difference
3. Expense authority
4. Unmatched expenditure

6-13. Which of the following authorities issues expense limitations?

1. Type commander
2. Carrier air wing
3. Fleet commanders
4. Commanding officers afloat

6-14. The annual appropriations are used for paying obligations incurred during what period of time?

1. Two years after the fiscal year it becomes available
2. Only the fiscal year designated by the appropriation act
3. Any time after it becomes available
4. Any time before it becomes available

6-15. Upon expiration, the unobligated balance of an appropriation is transferred to the

1. successor account
2. next fiscal year
3. surplus of the Treasury
4. major claimants

6-16. At the end of a 2-year period of availability, the balance remaining (unliquidated obligations less reimbursements to be collected) in the account is transferred to the

1. successor account
2. next fiscal year
3. surplus of the Treasury
4. major claimants

6-17. The list of appropriate fund codes to be used for specific material or services requested can be found in which of the following publications?

1. NAVSUP P-485
2. NAVSUP P-437
3. NAVSO P-3013
4. DFAS-CL (NAVSO P) 1000.3-M

6-18. In a Navy appropriation symbol, an X in the third digit means

1. successor appropriation
2. continuing appropriation
3. expired appropriation
4. annual appropriation

6-19. What type of fund is the Defense Business Operations Fund?

1. Revolving
2. Trust
3. General
4. Mutual

6-20. What digits of an appropriation symbol 97x4930 identify the revolving fund?

1. 97
2. X4
3. 49
4. 30

6-21. Which of the following data is used to identify charges and credits to the first level of the subdivision appropriation/funds?

1. Budget activity
2. Credit transactions
3. Subhead number
4. Filled order

6-22. The resources management system is designed to provide financial and cost reports of expenses by program elements to which of the following offices?

1. Cost center
2. Major claimant only
3. Subclaimants only
4. Major claimants and subclaimants

6-23. Which of the following budget activity numbers identifies Central Supply and Maintenance?

1. 9
2. 2
3. 7
4. 8

6-24. Who issues operating budgets to shore activities designated as responsibility centers?

1. Fleet commanders
2. Type commanders
3. Chief of Naval Operations
4. Comptroller of the Navy

6-25. An appropriation subhead 602E designates which of the following type commanders?

1. CINCLANTFLT
2. COMTRALANT
3. COMNAVAIRPAC
4. COMNAVAIRLANT

6-26. Fund codes assigned to operating forces are listed in which of the following publications?

1. DFAS-CL (NAVSO P) 1000.2M
2. DFAS-CL (NAVSO P) 1000.3-M
3. NAVSO P-3013-1
4. NAVSO P-3013-2

6-27. MILSTRIP requisitions against an OPTAR can be identified to the requisitioner by what data?

1. Fund code and serial number
2. Service designator and UIC
3. Routing identifier
4. Suffix code

6-2. Who is responsible for the accurate and timely accounting and reporting of OPTAR funds?

1. OPTAR holder
2. Type commander
3. Fleet commander
4. Comptroller of the Navy

6-29. In which of the following ways is the DBOF reimbursed for material issued?

1. By annual appropriation
2. By charging the customer's account and crediting DBOF
3. By augmentation from TYCOM
4. By credit from material returned

6-30. The operation of DBOF is governed by which of the following offices?

1. SECDEF
2. SECNAV
3. NAVSUP
4. NAVCOMPT

6-31. Afloat, material carried under DBOF is categorized as what account class?

1. 200
2. 203
3. 207
4. 244

6-32. What type of transaction is processed when material is issued from one SUADPS-RT activity to another SUADPS-RT activity?

1. Transfer to end-use
2. Loss by inventory
3. Cash sale
4. OSO transfer

6-33. How often are activities carrying DBOF material required to submit financial inventory returns to the applicable accounting office?

1. Weekly
2. Monthly
3. Quarterly
4. Annually

6-34. Which of the following types of FIRs is NOT forwarded to the type commander for stores accounting of DBOF?

1. NSA
2. APA
3. End-use
4. Both 2 and 3 above

6-35. The reporting activity should retain a copy of the FIR for a period of how many total years?

1. 1
2. 2
3. 3
4. 4

6-36. The list of supply transactions and their related FIR codes is found in which of the following NAVSUP publications?

1. P-437
2. P-409
3. P-545
4. P-500

6-37. The DAO reconciles the activity's NSA Monthly Receipt Report with the billings and summaries to achieve which of the following goal(s)?

1. To ensure that activities submit all receipts
2. To ensure that all expenditures against DBOF are valid
3. To account for the changes in inventory of the issuing and receiving activity
4. All of the above

6-38. After reconciling the NSA Monthly Report by DAO, which of the following reports is/are produced for distribution to the applicable activities?

1. Unmatched receipt
2. Unmatched OSO receipt
3. Unmatched expenditure
4. All of the above

6-39. Which of the following listings represents summaries, transfers, and billings for which the activity has not processed a receipt?

1. Aged unfilled order
2. Unmatched listing for captions A&G
3. Unmatched listing for captions C&H
4. SFOEDL

6-40. Under what captions of the unmatched listings are public voucher payments and DLA/GSA billings included?

1. A
2. C
3. G
4. H

6-41. Which of the following listings represents the receipts processed by a 207 activity but has not matched with a bill or summary at DAO?

1. Unmatched listing for captions A&G
2. Unmatched listing for captions C&H
3. Detail filled order/expenditure listing
4. Aged unfilled order listing

6-42. The follow-up listing for captions C&H must be researched, annotated, and returned to DAO by the activity no later than how many days after receipt?

1. 7
2. 15
3. 20
4. 30

6-43 Expenditures that were challenged by the receiving activity are listed in what NAVSUP Form?

1. 1114
2. 1160
3. 1162
4. 1375

6-44 What form is used to request information concerning material receipts or expenditure document?

1. NAVSUP Form 1162
2. NAVCOMPT Form 168
3. NAVCOMPT Form 2155
4. NAVCOMPT Form 2157

6-45 The accuracy of the SAMMA/SAL computation is dependent upon which of the following conditions?

1. Supply effectiveness
2. Stock depth
3. Timely financial reporting
4. Inventory validity

6-46 The material on order that is above the activity's high limit is known by what acronym?

1. GIA
2. RAO
3. RAB
4. SAL

6-47 Afloat, the on-hand quantity over the authorized level/retention is known as what acronym?

1. SAL
2. GIA
3. RAB
4. RAO

6-48 Which of the following terms is defined as an estimated amount of money needed by operating ships, aviation squadrons, or other units to perform their mission?

1. Trust fund
2. OPTAR fund
3. General fund
4. Revolving fund

6-49. In an OPTAR accounting cycle, the OPTAR account must be maintained for at least how many months?

1. 36
2. 48
3. 60
4. 90

6-50. How many financial files are maintained for OPTAR transmittal reporting?

1. One
2. Two
3. Three
4. Four

6-51. When used, the green copy of the DD Form 1348 (6-pt) submitted to DAO has the estimated total price in what block?

1. U
2. L
3. A
4. N

6-52. The Requisition/OPTAR log is balanced at the same time with which of the following actions?

1. Submitting financial listings
2. Entering new requisitions to the log
3. Preparing the OPTAR transmittal report
4. Posting the OPTAR grant

6-53. Credit money value that is posted in the cumulative difference of the OPTAR log is represented in what way?

1. Circled value
2. Minus value
3. Plus value
4. Underlined

6-54. Which of the following NAVCOMPT Forms is used to submit the BOR?

1. 2155
2. 2156
3. 2157
4. 2158

6-55. Which of the following transmittal numbers is used for the end of December, assuming all reports are submitted each time?

1. 008
2. 006
3. 003
4. 009

6-56. The prior year OPTAR must be reported only when which of the following conditions arise?

1. Document value is over $100
2. Material is APA
3. OPTAR balance is zero
4. The transaction affects the gross obligation

6-57. The OPTAR holders are authorized to administratively cancel unfilled orders when the material has been received how many days before the AUOL date?

1. 60
2. 45
3. 30
4. 15

6-58. How often does DAO forward the SFOEDL after the 24th report monthly of the OPTAR?

1. Monthly
2. Quarterly
3. Annually
4. Biennially

6-59. Transfers of DBOF material between the same TYCOM are included in the B summary of which of the following activities?

1. Intermediate maintenance activity
2. Authorized accounting activity
3. Transferring activity
4. Receiving activity

6-60. At least how often is the value of material transfers and issues to other operating units and shore activities summarized?

1. Quarterly
2. Monthly
3. Weekly
4. Daily

ASSIGNMENT 7

Textbook Assignment: "Automated Supply Support," chapter 7, pages 7-1 through 7-23.

7-1. Which of the following items is commonly used as an input device in an automated supply support organization?

1. Database
2. Magnetic disks
3. Personal computers
4. Software

7-2. Which of the following components of the computer system is known as the brain?

1. Magnetic disks
2. Mainframe
3. Printers
4. Cathode-ray tube

7-3. The naval aviation logistics command management information system (NALCOMIS) provides automated procedures for which of the following programs?

1. B08
2. SARDIP
3. RILOP
4. NAMP

7-4. Which of the following information is identified whenever a password is entered into the NALCOMIS computer?

1. The user that is signing on
2. The user's organization and work center
3. 'The user's special maintenance qualification
4. All of the above

7--5. The passwords in each NALCOMIS site are maintained by the

1. CO
2. SUPO
3. DBA
4. ACC

7-6. The NALCOMIS database is composed of which of the following data elements?

1. Dynamic and static
2. Dynamic only
3. Static only
4. Unidirectional

7-7. Which of the following NALCOMIS information is a static data element?

1. Requisition status
2. Type equipment code
3. Location number
4. Project code of a requisition

7-8. The information output from NALCOMIS may be produced in which of the following formats?

1. Screen display
2. Hardcopy notices/reports
3. Magnetic tapes and disks
4. All of the above

7-9. The supply response section of the Aviation Support Division is composed of how many organizational units?

1. 1
2. 2
3. 3
4. 5

7-10. Which of the following units is NOT under the component control section?

1. Supply screening
2. Pre-expended bin
3. Document control
4. Awaiting parts

7-11. To ensure the Not Mission Capable Supply/Partial Mission Capable Supply (NMCS/PMCS) information is updated, the listing is prepared and validated at least how often?

1. Daily
2. Weekly
3. Monthly
4. Quarterly

7-12. How often should a copy of the awaiting parts requisition status listing be provided to the intermediate maintenance activity?

1. Quarterly
2. Monthly
3. Weekly
4. Daily

7-13. Which of the following listings is used to verify the maintenance activity's repair capability of an item?

1. CRPL
2. AUOL
3. ICRL
4. IMRL

7-14. The Phase Maintenance Kit program may be established in an ASD when authorized by which of the following individuals/offices?

1. NAVICP
2. TYCOM
3. NAVAIRSYSCOM
4. NAVCOMPT

7-15. Which of the following NALCOMIS conversation codes is used to verify requisition status?

1. N668
2. N648
3. N638
4. N628

7-16. Conversation code N610 is used to perform which of the following functions?

1. Input the NIIN being issued
2. Enter the quantity being issued
3. Both 1 and 2 above
4. Change the document number

7-17. Which of the following conversation codes is used to complete the issue transaction by using the information from the signed copy of the proof of delivery?

1. N601
2. N608
3. N610
4. N615

7-18. Requisitions with OFISS status due to discrepancy in the quantity are cleared by using which of the following conversation codes?

1. N655 and N652
2. N668 and N610
3. N662 and N601
4. N695 and N666

7-19. The conversation code N689 provides which of the following information?

1. The current assets in suspense status
2. The subcustody information of repairable items
3. The status of a selected requisition
4. All requisitions that are NIS or NC

7-20. After the requisition is processed for referral in conversation code N610, the status code on conversation N668 inquiry should read

1. NC
2. BB
3. BM
4. CA

7-21. Which of the following conversation codes will decrease the ready for issue (RFI) on–hand quantity and increase the SOIOU quantity when processed as issue?

1. N600
2. N601
3. N613
4. N637

7-22. Repairable turn-ins in not ready for issue (NRFI) condition are inducted to the IMA repair cycle by which of the following units?

1. SSU
2. DCU
3. AMSU
4. MDU

7-23. Which of the following conversation codes is used to process the return of a component from the repair cycle to supply?

1. N621
2. N644
3. N651
4. N668

7-24. The repairable turn-in for an issue transaction is repaired and returned to stock in ASD. When there are no outstanding requirements after processing in conversation code N621, NALCOMIS will generate which of the following items/notices?

1. Divert to other customer notice
2. Stow hardcopy notice
3. DD Form 1348-1 shipping document
4. AOA notice

7-25. The EXREP repairable turn-in is returned as BCM from IMA and processed in conversation code N621. Which of the following status codes will be assigned after processing?

1. COMPL
2. EXREP
3. ISSIP
4. REFER

7-26. How does processing the return of components from the repair cycle in conversation code N621 affect the DIFM quantity counter?

1. Decrease the counter
2. Increase the counter
3. Does not affect the counter
4. Bypass the counter

7-27. Which of the following procedures is performed when conversation code N621 for stock asset is processed for BCM?

1. Stock replenishment is performed
2. The DD Form 1348-1 MRIL shipping document is printed
3. The conversation code N671 will display stock due
4. All of the above

7-28. Which of the following units of ASD is responsible for processing consumable issues from stock in conversation code N615?

1. DCU
2. RCU
3. MDU
4. TRU

7-29. Requisitions that are confirmed as warehouse refusal are processed by using which of the following conversation codes?

1. N684
2. N671
3. N637
4. N628

7-30. Which of the following actions is taken if an RFI item is returned to supply because a piece of erroneous material is issued?

1. Ship the material to the designated repair point
2. Return the material to the original location
3. Process the item as survey
4. Induct the item as EXREP

7-31. Which of the following conversation codes is used to review the stock posture of repairable assets when performing inventory adjustments?

1. N677
2. N661
3. N626
4. N610

7-32. Which of the following actions should be performed to process the loss by inventory of repairable components?

1. Transfer to end-user
2. Issue
3. Survey
4. OSO transfer

7-33. Gain by inventory transactions can be posted by using which of the following conversation codes?

1. N630
2. N633
3. N643
4. N651

7-34. How does material returned to stock and processed in conversation code N633 affect the quantity counters?

1. Decreases the RFI and increases the suspense
2. Decreases the SOIOU and increases the suspense
3. Decreases the suspense and increases the RFI
4. Decreases the DIFM and decreases the suspense

7-35. Survey transactions are processed in NALCOMIS only when which of the following items or information is received?

1. Verbal authorization
2. Signed copy of DD Form 1348-1
3. Initial investigation results
4. Approved DD Form 200

7-36. Which of the following conversation codes is used to process the survey document received from the customer submitting a requisition with a 5A advice code?

1. N635
2. N636
3. N638
4. N641

7-37. Material lost in shipment is initially processed in which of the following conversation codes?

1. N604
2. N610
3. N613
4. N618

7-38. Surveys of stock material that are determined as lost in shipment is recorded using conversation code

1. N637
2. N639
3. N642
4. N648

7-39. Processing of which of the following conversation codes will decrease-the RFI counter and increase the subcustody counter?

1. N603
2. N610
3. N622
4. N623

7-40. If the component that is returned from subcustody is NRFI, a work request MAF can be initiated by using conversation code

1. N644
2. N616
3. N252
4. N245

7-41. Which of the following units of ASD is responsible for reviewing and correcting the material report (MR) of consumable items?

1. RCU
2. PMU
3. TRU
4. DCU

7-42. Erroneous commercial and government entity (CAGE) and part numbers that were submitted on a requisition can be corrected by using which of the following conversation codes?

1. N226
2. N604
3. N610
4. N618

7-43. The CAGE and part number of an item are added to the NALCOMIS database by using which of the following conversation codes?

1. N656
2. N641
3. N636
4. N613

7-44. A national stock number (NSN) can be added to the database by using which of the following conversation codes?

1. N616
2. N630
3. N641
4. N650

7-45. Requisitions with the status of OFVAL is cleared out of the queque by using which of the following conversation codes?

1. N604
2. N614
3. N632
4. N635

7-46. The PMU is responsible for processing the receipt on board (ROB) of high priority requisitions in which of the following conversation codes?

1. N608
2. N610
3. N613
4. N633

7-47. Which of the following units of an ASD is responsible for submitting the copy of a warehouse refusal requisition to the RCU?

1. SSU
2. MDU
3. TRU
4. DCU

7-48. Material can be routinely included in the pre-expended bin (PEE) if they meet which of the following criteria?

1. The unit price is over $150
2. The item has a demand frequency of one a month
3. The item has a demand frequecy of at least three a month
4. The material is an allowance item

7-49. Eligible material with unit costs over $150 can be included in the PEB when authorized by which of the following officials?

1. SUPO
2. CO
3. TYCOM
4. CNO

7-50. When a requisitioned repairable item is not in stock, what status will be revealed when conversation code N668 is inquired?

1. COMPL
2. OFVAL
3. REFER
4. ERIOU

7-51. What conversation code is used by a component control section to process the return of components from the IMA repair cycle?

1. N621
2. N610
3. N601
4. N251

7-52. To check the detail of the repairable item that was inducted in the repair cycle, you should use which of the following conversation codes?

1. N653
2. N661
3. N675
4. N679

7-53. Which of the following conversation codes will display all the outstanding requisitions for a particular NIIN?

1. N669
2. N679
3. N703
4. N812

7-54. An RFI item returned from the repair cycle and issued to an outstanding requisition will have which of the following results?

1. The DD Form 1348–1 issue document will be printed
2. The supply interface records will be created
3. The supply status codes will be ISSIP, ISSER, or ISSMA
4. All of the above

7-55. The procedures for disposing of repairable aircraft tires are found in which of the following instructions?

1. FASOINST 4440.85
2. FASOINST 13490.3
3. OPNAVINST 3750.6
4. OPNAVINST 4441.12

7-56. Repairable items that require serial number control are established by using which of the following conversation codes?

1. N610
2. N629
3. N666
4. N675

7-57. To determine the condition of a repairable stock asset that is missing, the condition tag can be inducted on a work request in which of the following conversation codes?

1. N213
2. N245
3. N280
4. N651

7-58. When the material requisitioned is a part of a matched set or for an initial issue, which of the following local status codes is assigned?

1. OFFMP
2. ISSER
3. PARTR
4. RCANC

7-59. When computing the fixed allowance, the total average turn-around time is limited to a maximum of how many constrained days?

1. 5
2. 7
3. 10
4. 20

7-60. Which of the following conversation codes is used to transpose repair parts from one awaiting parts (AWP) component to another?

1. N250
2. N613
3. N648
4. N661